# ISSUES AND ACHIEVEMENTS REGARDING THE STRATEGY OF INCREASING THE PROCESS OF ROMANIA'S SUSTAINABLE DEVELOPMENT STRATEGY

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#### **Abstract**

In the last years local development has undeniably become one of the dominant elements for productivity growth strategy employment, human welfare, entrepreneurship promotion, obtaining human capital and income increase. Assuring sustainable development for a specific region is a complex process in the measure in which this process is subjected to some factors which cannot be controlled by a local, regional, or national administration. The entire post-revolution and post-accession experience, cumulate with good policy making transferred by Romania to European Union, proves that private public partnership is a viable solution for successfully solving some communitarian problems, public interests starting with social services and complex social-economic development projects including infrastructure projects.

The present paper focuses on sustainable development and the specific objectives that Romania intends to achieve in order to reach a new model of development that is capable of generating high value added, is interested in knowledge and innovation, and aims to improve the quality of life in harmony with the natural environment.

The paper also analyses the process of local development that Romania started in 2000 with the financial support of United Nations Development Programme - "Romania within the framework of Local Agenda 21" and continued within Regional Operational Programme 2007-2013 and now,2020-2030 Sustainable development strategy.

**Keywords:** local communities, environment, PPP, sustainable development, European Union, Regional Operational Programme, 2030 Agenda.

#### 1. Introduction

Romania, as a member of the United Nations (UN) and the European Union (EU), has adopted the 2030 Agenda and its 17 Sustainable Development Goals. The 2030 Agenda was adopted at the United Nations Sustainable Development Summit though UN General Assembly resolution A/RES/70/1. The European Council endorsed this Agenda in "A Sustainable European Future: The EU Response to the 2030 Agenda for Sustainable Development" on 20 June 2017. The Council's document represents the political document to which the member states have committed themselves, setting the direction EU member states should follow in their task of implementing the 2030 Agenda for Sustainable Development. Romania's Sustainable Development Strategy 2030 (hereafter referred to as the "Strategy") defines Romania's national framework for implementing the 2030 Agenda for Sustainable Development, providing a roadmap for achieving the 17 SDGs. This strategy promotes the sustainable development of Romania by focusing on Sustainable Development's three dimensions: economic, social, and environmental. This strategy is citizen-centered and focuses on innovation, optimism, resilience, and the belief that the role of the state is to serve the needs of each citizen in a fair, efficient, and balanced manner, all within a clean environment. This Strategy is based on reports drawn up by government ministries and other state institutions, studies conducted under the auspices of the Romanian Academy, and other scientific and academic bodies. This strategy used the information made available by European institutions and the UN as well as suggestions and recommendations resulting from public consultations with the business community, universities, national research and development institutions, NGOs, and representatives of civil society. This strategy also took into consideration the contributions of individual experts.

Current policies cannot anymore focus mainly on their short - term impact but they have also to be more forward looking as well as more consistent between each other's. Economical development is a must in the terms of a powerful and accelerated process of globalization which has surrounded the entire world. Therefore, local

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authorities must find good strategies in order to improve the production of goods and services. In the process of sustainable development management effectiveness of protected areas is an important indicator of how well protected areas are conserving biodiversity. This is critical as most nations use protected areas as a cornerstone of biodiversity conservation. The introduction of the concept of sustainable development in recent policy-making has been a major turning point for our societies over the last two decades. Given the complexity of the concept of sustainable development, my intention in writing this paper was measuring what counts for the well-being of both present and future generations. I was inspired in treating this matter by the importance of the global need to identify the most suitable solutions and strategies in order to maintain life on this planet, by promoting human well-being through managing natural resources without hurting biodiversity. Decisions human made that influence biodiversity affect the well-being of themselves and other. We only have one planet it's not like we have a spare one in the backyard! In the past decades there was written a lot of specialized literature regarding conservation and sustainable use of diversity of species, habitats and ecosystems on the planet. Therefore, I have related my paper to some of them in order to improve my study on sustainable development through conserving environment and socioeconomic development. Official statistics are well equipped because of both the commitment to impartiality and the diversity of the available expertise to provide the robust statistical tools and in particular statistical indicators - which are required to adequately assess the implementation of current policies. Even if the current set of EU sustainable development indicators is still largely imperfect, a proactive approach like the one followed by Eurostat has increased the profile of official statistics and may help to shape future policies on the basis of a more rigorous assessment of the current situation.

### 2. Sustainable development. Definition. The EU Strategy for Sustainable Development (SDS)

Sustainable development has been defined in many ways, but the most frequently quoted definition is from *Our Common Future*, also known as the Brundtland Report<sup>1</sup>:

"Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs. It contains within it two key concepts:

- the concept of **needs**, in particular the essential needs of the world's poor, to which overriding priority should be given; and
- the idea of **limitations** imposed by the state of technology and social organization on the environment's ability to meet present and future needs."

## Issues and concerns specific to Romania

The goal of Romania's first sustainable development strategy from 1999 was to promote the continuous improvement and preservation of the well-being of the population in correlation with the requirements of a sensible use of natural resources and the conservation of the ecosystem. This strategy was based on the premise that the benefits of economic development should outweigh its costs, including those relating to the conservation and the improvement of the environment. The country's accession to the European Union in 2007 led to a change of Romania's national priorities, which resulted in the National Sustainable Development Strategy of Romania – Horizons 2013-2020-2030. Adopted by the Romanian Government on 12 November 2008, the Strategy sought to reduce the socio-economic gap vis-à-vis the member states of the European Union. To achieve sustainable development in Romania, and, by extension, to meet the goals of the 2030 Agenda, together with the EU's commitments regarding the 2030 Agenda, this Strategy is built around the citizen and the needs of future generations. Romania's Sustainable Development Strategy is based on the premise that sustainable development requires a mindset which, once adopted by the citizen, will help create a more equitable society defined by: balance and solidarity, and the ability to cope with the changes brought about by current global, regional and national challenges, including a declining population. The state's concern for its citizens, and the citizens' respect for public institutions, for their peers, for moral values, and for cultural and ethnic diversity will lead to a sustainable society.

A series of aspects of the implementation of sustainable development principles are not featured by the Strategy for Sustainable Development of the European Union: problems that have been overcome by the countries at the core of the EU many decades ago and thus are no longer object of priority concerns. In Romania's case, certain indicators (e.g., the structure of property in agriculture, access to drinking water and sewage

<sup>&</sup>lt;sup>1</sup> World Commission on Environment and Development (WCED). Our common future. Oxford: Oxford University Press, 1987 p. 43.

networks, energy efficiency and resource consumption per value unit of final product, the quality of professional training, etc.) are still only slightly over the average level of developing countries. This section is dedicated to clarify such problems that must be solved in parallel and simultaneously with the effort to meet the norms and standards of the European Union.

Meeting the objectives of the Romanian National Strategy for Sustainable Development could be affected negatively by the interference of internal and external factors. Some of them can be foreseen, although their impact is difficult to evaluate and predicted quantitatively or placed in time.

However, prospecting the causes that could generate such issues and the solutions to diminish their effects is absolutely necessary. The following can be regarded as main endogenous risk factors:

- incoherence and inconsistence in economic policies caused by political instability and/or by ignoring the principles of sustainable development, independently of the composition of the parliamentary majority or the doctrines of political parties;
- delays in the implementation of an improved decision-making system and failure to induce responsibility within the public institutions for the results of the policies promoted by them, failure to improve the efficiency of impact assessment and of the use of monitoring and evaluation techniques;
- formalist, inefficient cooperation of public institutions with the private sector (patronates), professional associations and social partners in the elaboration and implementation of public policies and the measures for increasing competitiveness based on the rise of labour productivity and the productivity of resources, or the promotion of export activities to insure macroeconomic equilibrium;
- clientelist selection of priorities in the allocation of public funds away from projects with potential for major, long-term, positive socio-economic impact and positive, neutral or at most minimal impact on the environment, based on competent evaluation of the report between financial effort and effects, on medium-long term;
- delaying efforts for a substantial increase of administrative capacity, of the potential to generate projects eligible for financing from the point of view of economic, social and economic efficiency, and to execute such projects within established terms through feasibility studies; delaying such measures could reduce the degree of access to EU funds and the possibility to cover the current account deficit;
- inconsistency and limited efficiency of policies oriented towards the continuation of the dis-inflation process, which could have a serious negative effect on macroeconomic equilibriums and sustainable economic growth:
- the lack of capacity to anticipate extreme weather phenomena resulting from climate change (prolonged periods of drought, floods) and to take measures to limit their potential effects on agriculture and on food prices;
  - the tendency for increase of consumer debt and of imports for current consumption;
- the increase of income decoupled from productivity growth as a result of populist policies exercised during pre-electoral periods;
- delaying the implementation of adequate measures to reduce energy intensity significantly and to tap alternative sources of oil and gas supply, which could put under risk economic activities and private consumption;
- inefficient use of public funds destined to primary and continued human resource formation and to stimulate R&D activities which represent key areas for sustainable development. Among the external risk factors to be taken into account are:
- the amplification of upward trends in oil, natural gas and uranium prices, that can generate serious effects on inflation and energy security;
- uncertainties regarding foreign investors on emerging markets that could be caused mainly by the increase of the foreign deficit and the unpredictability of the fiscal policy, with negative effects on the volume and quality of investment in the productive sectors of the economy, and on the coverage from this source of the current account deficit;
- increasing the cost of foreign financing as an effect of the possible decrease of the country rating, which may have undesirable effects on the exchange rate of the national currency and on the inflation rate; Regarding the precise identification of risk factors and for the management of crisis events, we recommend:
  - the formation of a roster of risk evaluators and specialists in crisis management to be inserted in decision support structures;

o the development, through foresight exercises, of instruments for the prevention, management and dilution of crisis effects.

- integrating, on the basis of professional competency, of Romanian specialists in EU expert networks for crisis management;
- preparing contingence plans and portfolios of solutions in anticipation of system vulnerabilities and their potential effects in crisis situations.

#### 3. Sustainable growth: structural change and macroeconomic balance

The current strategy starts with the premises that the achievement of accelerated growth in the long run in all three essential components (economic, social and environmental) is not just one of options possible, but the essential condition for the gradual reduction of the gaps between the levels of quality of life in Romania and the EU within the shortest possible timeframe, and for the insurance of real cohesion at national and EU levels.

Entering the common market of the European Union, the improvement of the business environment and of 53 the conditions for competition, the consolidation of the private sector and its contribution to the formation of the gross domestic product, the rise of the rate and quality of investment are encouraging factors that favor the continuation of growth. Annual GDP growth rate of 5.6-5.8% between 2007-2013, of 4.8-5% between 2015-2020 and 3.8-4.3% in the 2021-2030 period constitute feasible operational targets, close to the estimated GDP levels for each period.

Ensuring long-term performance for the Romanian economy imposes, in consequence, the adoption and implementation of active, coherent policies and of effective instruments that shall allow substantial improvements in the administration and valorisation of current potential in certain key domains that determine sustainable development in conditions of market competition. Without substituting the existing development programmes of Romania, the current Strategy proposes a focalized vision towards attaining long-term objectives that transcend current timeframes through the perspective of sustainability principles stipulated by the Directives of the European Union and the main tendencies observed at the global level.

Ensuring the sustainability of energy and material resource consumption in the long run, based on the realistic evaluation of the support capacity of natural capital. It follows that there is significant potential for the reduction of energy consumption, mainly through the rise of energy efficiency in the manufacturing and service sectors, and the reduction of the considerable technical losses in the residential sector. According to the national Programmes regarding energy efficiency, it is foreseen that primary energy intensity could be reduced by 2020 at 0.26 TOE/1000 Euro GDP relative to 2013 (0 .34 TOE / 1000 Euro of GDP). It is foreseen that relevant primary and secondary EU legislation will evolve towards setting more ambitious objectives and more strict regulations, in conformity with the Lisbon Agenda.

From the analysis of the evolution of the Romanian manufacturing industry in recent years, it results that in energy- and materials intensive sectors (steel industry, oil refinement, chemicals, building materials – typically polluting industries which provide around 25% of total production) resource productivity is in decline as a result of increased intermediary consumption. Compared to the year 2000, the total resource consumption in the steel industry increased by 48% while value added decreased by 2.6%. In the oil industry, a 12.4% increase in value added demanded a 50% increase in resource consumption. In 2005, total resource productivity in the steel industry was of only 0.18, in the downstream oil industries of 0.34, and of 0.55 over the entire manufacturing industry. Similar examples of decreasing resource productivity relative to value added can be found in agriculture and forestry. In these cases, also, it can be assumed that significant improvements can be obtained within a reasonable timeframe by promoting policies to stimulate technological modernization and the increase of the share of products with high processing levels destined both to local consumption and for export. Perfecting, in a first stage, a series of voluntary agreements with the patronates (as it is already in practice in some EU countries) and adopting regulation that will shift some of the labour tax burden on the consumption of material resources and energy, could motivate economic actors to take measures for the increase of resource productivity, which would result in a positive impact on costs, competitiveness and the sustainability of resource use. Taking into account a considerable future increase in the import of primary energy and materials resources, it is necessary to elaborate a specialized strategy for the diversification of supply sources as well as for ensuring their security through long-term agreements.

The gradual modernization of the macro-structure of the economy in correspondence with social and environmental needs The increase of services share in the formation of the Gross Domestic Product from 48.8% in 2006 to 58-60% in 2013 and 70% in 2020 (the current average level of EU-25) and the qualitative upgrade of services, will also determine the increase of economic efficiency and of competitiveness in the other sectors of the economy, with positive social effects on the vertical mobility of the workforce and of the level of qualification and compensation in domains such as R&D, financial services, computer science, management training, consultancy and expertise, etc. This will contribute directly to the growth of total productivity of resources used by the economy as a whole, considering that the services sector shows a typically higher ration of gross value added over intermediary consumption, then those typical for agriculture, manufacturing or building. The adjustment of inter-sartorial structures will take pace particularly through the stimulation of priority development of those sub-structures that realize high value 55 added with lower resource consumption, especially through the use of renewable or recycled resources. In industry, the accent will fall on the endowment with technologies of high and medium complexity and on the introduction in own production of technologies with a high synergy that could bring a significant contribution to the growth of the volume and value concentration of exports. Eco-efficiency and the use of the best available technologies (BAT) will become, in a higher measure, essential criteria in investment decisions, especially for public procurement. The most profound changes will probably take place in rural areas through the replacement of archaic structure, of the production practices and the appearance of the Romanian village, while preserving its local identity and specific culture. The development of the organic agro-industry, engaging local communities in activities of environmental rehabilitation and conservation, their direct partnership in the preservation of monuments and historic and cultural sights, ensuring access to basic social and community services, the reduction and elimination of poverty, the improvement of communications and of market relations, will contribute to the gradual relief of urban-rural disparities in the quality of life. Considering the demand for development preserving regional profiles, of the need for optimum absorption of co-financing resources from EU sources and of the need to attract supplementary investment particularly for the modernization infrastructure for the provision of urban services, for the support of agriculture activities and for transport, increased effort is critical for the creation and permanent update of a portfolio of viable projects accompanied by professional pre-feasibility studies, that benefit from the active support from all decision factors and the local communities.

## 4. Raising labor productivity and the occupation rate

The level of labour productivity over the entire economy (GDP/employed person) as well as at sector and enterprise levels (gross value added/employee) is still vastly inferior in Romania compared to EU levels. The relatively low level of Romanian wages, particularly in the lower end of the scale, is explained precisely by this productivity gap reflected, in approximately the same rapport, in the quality of employment and the volume of taxable income. The slow renewal of the technology base, the low quality of infrastructure, chronic underfinancing, the weak contribution of local R&D, the low performance of products and services offered on the market, the insufficient capacity for adaptation to the global market, were the main causes that hinder not just labour productivity but also the productivity of resources in monetary terms. Although in recent years the rhythm of labour productivity growth in Romania, especially in the processing and building industries, has been higher than the average EU rate, the difference of levels remains very high. Since resource productivity (the productivity of resources in monetary terms) and labour productivity are the main factors of efficiency and competitiveness and, implicitly, of the sustainability of economic and social development, significant administrative and financial efforts must be undertaken to remedy the present situation and attain the current benchmark of the EU. the urgency of such measures 56 is underscored by the unfavourable demographic developments, worsening in the case of Romania. In the same time, it is necessary to improve the rate of occupation of the potentially active population that, between 2002 and 2006 was of 57.9% only in Romania compared to the EU-27 average of 63.1% for the same period. Through investment in human capital, an occupation rate of over 62% is estimated for 2013, with the tendency of constant improvement for the following periods (up to 64-65% in 2020).

#### 5. Improving the quality of micro and macroeconomic management

In the following period, a qualitative improvement of economic management will be necessary at all levels - from regional to enterprise level, to insure the efficient, complete use of capital resources available and to attract new, supplementary financing sources for investment in the endowment with modern technology, in the formation and superior qualification of the labour force, in scientific research, in technological development and innovation. In as much as the sustainable growth of the gross domestic product is determined by the evolution of value added achieved by economic agents, the extension of effective management is crucial for all key points of activity in each unit producing goods and services: administrative, technical, technological, financier, logistic, commercial, and the administration of human resources. In this respect, the establishment of specific performance criteria for public sector managers is essential, along with encouraging the application of exacting standards in the private sector through engaging the responsibility of stockholders and administration councils in monitoring management performance in conformity with the minimum standards established for the increase of value added, competitiveness and profit. It is also envisaged to re-evaluate the policies for the amortization of physical assets in correlation with technological progress in each domain of activity, in order to prevent technical depreciation of the capital that typically generates major consumption of energy, materials and labour resources, with negative effects on competitiveness. The implementation of multi-annual, medium-term budgets as standard practice for firms is necessary to ensure the existence of a long-term vision regarding the development perspective and the formulation of efficient investment policies, and the adaptation of the production volume and structure to anticipated market trends.

### 6. The government is promoting public-private partnerships (PPPs)

Is a new channel for attracting foreign investments to Romania, which last year reached a post-crisis high of EUR 4 billion. The new PPP law comes roughly seven years after the private sector and public authorities struggled with different, flawed legislation.

Investors are waiting for the publication of the implementation rules for the new PPP Law no. 233/2016, which was approved at the end of 2016. Legal experts said that the new rules should promote functional partnerships between public bodies and private players, and it might take additional time for the authorities to learn the ropes when dealing with such initiatives. Representatives of foreign investors in Romania suggested that pilot PPP projects should be launched first. The government has not yet announced any such projects.

The new legislation can accommodate various PPP structures without overregulation and provides clear separation from the scope of the new concession and public acquisitions legislation. Going deeper into the provisions that interest investors, the new PPP law includes two structures for project development.

There are PPPs of a purely contractual nature, where the PPP agreement is concluded between the public partner, the private partner and the project company, which is wholly owned by the private partner. And there are the PPPs of an institutional nature that involve cooperation between the private and public partner within the project company, which is held jointly by the public and private sector, and becomes party to the PPP agreement after its registration.

Although the current center-left government claims that major PPP projects will be financed from Romania's planned wealth fund, it is still too early to say if this initiative is feasible considering that the fund is still in the design stage. Public authorities aim to turn the Sovereign Fund for Development and Investments (FSDI) into the main financing engine for the construction of roads, hospitals and industrial assets. The fund should reach EUR 10 billion in size, according to recent statements by policymakers.

Legal experts say the new law is more versatile because it provides more financing mechanisms for public and private partners involved in such projects.

Under the new law, the investment costs of the project can be funded entirely by the private partner, or by both partners. For the public partner, the source of funding is, however, limited to EU grants consisting of post-accession non-reimbursable funds and the related national contribution. The public partner may also choose to provide contingent mechanisms, for example guarantees to the project lenders, or to grant various rights to the project company, such as the right to collect user payments, as well as concession, superficies or use rights over the assets used for the project.

Foreign investors are waiting for the application norms of the new PPP law before starting to think about projects that could be developed in partnership with the state. However, the state will have to provide clear

guarantees that it will fully comply with the requirements of such contracts, as financial risks could emerge, for instance in the case of projects that run for decades.

Madeline Alexander, chair of AmCham Romania's EU funds, public procurement and PPP committee, said that the application norms of the new law should allow the local authorities to use PPPs for local infrastructure development as well as to expand on the regulatory framework concerning treatment and management of PPP fiscal risks.

AmCham Romania represents over 400 American, international and Romanian companies that have invested over USD 20 billion and created around 250,000 jobs locally.

Meanwhile, French investors have identified several public sector infrastructure sectors, including roads and hospitals, as fields in which PPPs could work.

However, PPP is not a wonder solution for solving the problem of necessity of great investments. In Romania the most often problem in public and private area is deficitary legislation who doesn't officially sustain the fundamentation of PPP. Another fundamental proposal in what regards local development aims the establishment of an interior rulment at local level. In the organization and function of all Institution that leads to good preparation activity and local development implementation projects. Most of the times projects are blocked in their way of organizing as financing application leading to limit situation like: a heavy analysis of documentation to send for note, transmitting in useful time some essential information. In conclusion we can synthesize two directions for development local communities. The first one is writing financing European and national projects and the second is creating necessary important elements like: local development strategies well elaborated, structured and prioritized, qualified staff for writing project implementation and elaborating development strategies.

#### 7. Conclusions

Current developments are in many respects not sustainable because limits on the carrying capacity of the earth are being exceeded and social and economic capital is under pressure. Although it has been stated repeatedly that change is necessary, results are limited. The recent progress regarding climate policy shows that states are capable of converting the necessary political will into rigorous policy interventions, which combine leadership, vision and concrete measures. The Sustainable development strategy should contribute to further change to avoid irreparable damage and to create a future of prosperity, equity and well-being.

The Sustainable Development Strategy deals in an integrated way with economic, environmental and social issues and lists the following seven key challenges:

- Climate change and clean energy;
- Sustainable transport;
- Sustainable consumption and production;
- Conservation and management of natural resources;
- Public health;
- Social inclusion, demography and migration;
- Global poverty.

Local authorities must elaborate overarching strategy in order to set out how we can meet the needs of present generations without compromising the ability of future generations to meet their needs. The next programming step should be to develop a strategy, to examine the country context, various stakeholders and their interests, and, among other factors, the nature of potential interventions to help ensure that resources dedicated to the program achieve the mission's stated objectives. Defining a strategy involves developing an approach that can maximize impact on democratic development. The Sustainable Development Strategy constitutes a long-term vision and an overarching policy framework providing guidance for all members of EU policies and including a global dimension, with a time frame of up to 2050. By tackling long-term trends, it serves as an early warning instrument and a policy driver to bring about necessary reform and short-term policy action. There should make full use of balanced Impact Assessments in policy making at national level. The four focus areas relating to long-term goals in some crucial areas like: shift to a low-carbon and low-input economy; protection of biodiversity, air, water and other natural resources; strengthening the social dimension; and the international responsibility dimension of the SDS are broadly welcomed.

The local authority must give higher priority to tackling current unsustainable trends in the use of natural resources and the loss of biodiversity. Better integration of biodiversity considerations into other policy areas such as climate change, transport, agriculture and fishery are crucial, as well as considering better the value of ecosystem services. Also, climate financing is central to combating climate change, and a significant increase in additional public and financial flows is needed in order to assist developing process.

The social dimension should be better highlighted through improving labour market policies, social and education systems. The economic crisis has exacerbated inequalities and risks. With current and expected job losses, unemployment is clearly one of the biggest concerns. The hardest hit are young people, low-skilled workers and those who have been unemployed for a long time. A balanced approach to combining flexibility and security together with comprehensive active inclusion strategies and integration activities is not only crucial to support all those affected by the crisis, including the most vulnerable, but also to limit losses in human capital and to preserve future growth potential. It is vital to carry on improving the labour market policies, to review social system and further develop the education system to meet the challenges in all regions. Job creation efforts should strengthen the ability of workers to adapt to changing market conditions and prepare workers to benefit from new investments in the areas of green technology and green jobs.

Sustainable development should be seen in a global context. Many of the challenges can only be solved in international cooperation. The people of the developing world are hardest hit by the effects of climate change and land degradation. The loss of biodiversity will affect both the developing and developed world, the poorest being the most severely affected. Sustainably managing ecosystems and strengthening biodiversity policies is a basis for food security and an integral part of the fight against poverty and hunger. The global demand for natural resources is increasing, and this affects the developing countries even more than the developed world.

The strategy of local communities for sustainable development could focus on the European Union's long-term goals in the following areas in coordination with other cross-cutting strategies:

- contributing to a rapid shift to a safe and sustainable low-carbon and low-input economy, based on energy and resource-efficient technologies and shifts towards sustainable consumption behaviour, including sustainable food patterns, and fostering energy security and adaptation to climate change;
- intensifying efforts for the protection of biodiversity, air, water and other natural resources and food security, and more focus on integration of biodiversity concerns into policy areas;
- with potential negative impact on biodiversity such as parts of the common agricultural policy, the common fisheries policy and transport policy;
- promoting social inclusion and integration, including demographic and migration aspects, and improving protection against health threats;
- strengthening the international dimension and intensifying efforts to combat global poverty, including through fair and green growth, and addressing population growth and its impact in terms of increased pressure on natural resources;
- in economic terms, it is necessary to ensure long-term economic growth that benefits the country's citizens. The economy of a country is often measured in figures that do not take into account the potential of each citizen. The transformation of the economy into a sustainable and competitive one requires a new approach, based on innovation, optimism, and citizen resilience. This approach should create an entrepreneurial culture in which each citizen is able to fulfil his/ her potential in both material and aspirational terms. In social terms, it is necessary to create a cohesive society able to benefit from improvements in education and health care systems, a reduction in gender inequality, and the urban-rural divide. This will result in the promotion of a more open society, in which citizens feel appreciated and supported. To achieve this, it is necessary to develop the resilience of the public to enable citizens to realize their dreams within an equitable institutional framework. To ensure the sustainable development at the community level, the state needs to provide an enabling environment to boost the potential of each citizen by addressing issues of health care, education, and labour fairness. The aim is to achieve the highest possible standards of living for all citizens. Boosting social capital – the fostering of a civic spirit based on trust between citizens – will unlock the potential of Romania's citizens, enabling them to realize their potential. Environmental awareness has risen significantly in recent years. Protecting our environment, be it natural or human-made, is the responsibility of everyone, given the reciprocal impacts between humans and the environment. This recognition presents an opportunity for citizens to come together in a noble pursuit by raising awareness of this responsibility. The creation of a sustainable human-made

environment can only be achieved by cultivating a sense of belonging and community. This will help diminish feelings of loneliness – a risk factor which limits the individual's potential and, by extension, the functioning of one's community.

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