Romania’s Tourism – Effects of the Accession

Daniela SIMTION1), Roxana LUCA2)

1) Faculty for Agricultural Sciences, Food Industry and Environmental Protection, Lucian Blaga University, Oituz Street No. 31, Sibiu, code 550373, Romania; simtiondaniela@yahoo.com
2) Faculty for Business Administration, Academy of Economic Studies, Bucharest, Romania; roxana.luca@gmail.com

Abstract. Romania’s accession to the European Union produced a number of effects on local economy, both positive and negative. Market specialists say that the positive effects of the accession are felt by improved services, improved healthcare and improved education or by creating efficient markets. The first areas that have felt the impact of the EU accession are: leasing, SMEs, telephony, internet, hardware industry, software industry etc. In contrast, there are areas that feel the effects after a longer period, and here enters the capital market, banking industry, tourism or HR industry (hotels and restaurants) and agriculture. While top areas in terms of performance, feel the positive effects of accession in the short term, certain sectors of the economy disappear or restrict their activity. Tourism and transport are areas that benefit from the accession, the main advantages, which Romania counts as attractive, in competition with other traditional destinations of the world, are: geographical position in Europe, accessibility by air links with most capitals and cultural tourism so fascinating for foreigners. The accession also brings an increase of professionalism of the services offered by hotel operators. In particular, the effects of our country's integration into the European Union touch many aspects of which are noted: increased competition, resulting in improved tourism offer; access to international financing; rebuilding infrastructure; increase of tourism traffic to and from our country.

Keywords: EU, accession, effects, tourism, services.

INTRODUCTION

A first effect of the accession is given by the adjustment to the EU competition laws, starting with each tourism entity up to a resort level.

In order to meet European competition, tourist resorts in Romania will be accredited by Western criteria, which provide among other things, that resorts of national interest should have at least 500 accommodation units and should be equipped with auditoriums and conference rooms, shops and areas for activities such as bank, currency exchange, travel agency and should provide medical assistance.

The resorts of local interest will have at least 100 accommodation units in order to be certified. All resorts will have tourist information centers, permanent connection between them and the accommodation will be processed through a computer information system.

A special importance is given also to the entertainment, the local interest resorts must ensure at least two spaces furnished and equipped for relaxing outdoors, including athletic fields and playgrounds for children, while the resorts of national interest, the latter must to be at least five. There is also the obligation to organize cultural events, sports, tourism, tourist signs for guidance and information. Currently, in Romania there are 37 resorts of national interest and 45 of local interest.

Also regarding competition it is noted that market opening after integration and the emergence of private pension and health insurance units are providing both opportunities and challenges for developing health tourism in Romania.

Social tourism, even if this system is in its early stages in Romania, competition in
this segment is not to be neglected for spas. Thus, it is necessary to attract investment in infrastructure, rehabilitation of treatment units and of hotel units as well, because a private health insurance unit does not contract accommodation units classified with one or two stars, which are the majority in spa tourism (60% of spa accommodation capacity is classified at 2* stars and 20% at 1* star).

Foreign tourists will choose those resorts where comfort is increased (this is proven by the fact that, for example 25% of accommodation units occupied in Băile Felix were bought by foreigners, in comparison to the national average of 10%).

In order to meet competition, accommodation and catering facilities units must comply with quality standards imposed by food safety system HACCP (Hazard Analysis Critical Control Points).

In terms of travel agencies, they will seriously compete with the big tour operators, which will enter the domestic market. They will target a high market share, by first practicing, very low prices in order to attract customers of the Romanian companies. This type of competition will reduce significantly the number of travel agencies (especially those focused on ticketing), which ultimately will result in increased transparency and quality of services offered to tourists, but also will lower the price of a holiday package.

A second aspect of integration is that of attracting EU structural funds, which is about 30 billion Euros for the period 2007 to 2013. They need to be managed efficiently and get where development is needed, otherwise there is the danger of losing them.

EU Structural Funds are managed by the European Commission and are intended to help finance structural measures at Community level in order to promote regions with delays in development, conversion of areas affected by industrial decline, tackling long-term employability, professional start-up for young people or promoting rural development.

MATERIALS AND METHODS

There are four types of structural funds listed on the European Parliament website, each covering a thematic area well specified.

1. European Regional Development Fund - supports the creation of infrastructure, investments for employment, local development projects, etc;
2. European Social Fund - is designed to promote labor market reintegration of unemployed and disadvantaged groups, in particular through the funding of training and employment assistance;
3. Financial Instrument for Fisheries Guidance - supports the adaptation and modernization of this sector;
4. European Agricultural Guidance and Guarantee Fund - funds measures for rural development and provides support to farmers, especially in regions lagging behind.

In addition to the Structural Funds, there are also financial instruments from the cohesion category (Cohesion Fund), which support the development of EU Member States, in the context of its economic and social cohesion.

RESULTS AND DISCUSSIONS

Taking into consideration that tourism, through its specific activity, reaches at least one aspect destined for the allocation of these funds (it increases the employment of labor, it reduces social exclusion, it supports the development of regions lagging behind from the economical point of view etc.), it is natural that tourism should be among the 14 areas that can attract EU funding, together with transport, urban and rural regeneration, access to stable jobs,
social inclusion for disadvantaged people, investment in infrastructure (social, health, education, tourism, etc.).

Here comes an issue that our country is less common to, that full responsibility for the success of EU funded projects returns to Romanian authorities. Since the money will come from local budgets, responsibility will be greater, requiring reliability and transparency in developing and implementing the projects.

If we analyze the situation in countries integrated in 2004, the absorption of these funds was only 10-11% of post-accession funds.

Regarding tourism, it will receive funding of approximately 2 billion by 2013, aimed at infrastructure, rural development, agro tourism and revitalizing spa resorts. In the mountains area several pilot stations will be arranged that meet international standards, where the state contribution will be 20%.

Currently, regarding tourism, at central public administration level, there is a budget far below neighboring countries. Although Romanian tourism is considered one of the strengths of our national economy and as such, an important source of income, funding programs for this sector are relatively few.

It notes in this respect, the 2004 initiative of the Ministry of European Integration regarding a grant program, for investments in tourism, which has not continued in the coming years. The situation in 2006 indicates a single grant program for the sector, namely SAPARD program focused mainly on rural tourism. This program aims to develop and diversify the economic activities that generate multiple activities and alternative incomes, developing rural tourism and other tourism activities in rural areas.

Money may be required for a wide range of activities from construction or extension of buildings and accommodation, recreation and entertainment units, up to financing activities for the preparation of land for these activities (walks, green areas, camping areas, etc). SAPARD grant funds also equipment and facilities for managing accommodation units.

An important area for which are allocated through SAPARD program, 23 million Euros, is entertainment (often left aside by most tourism investors) ensuring diversification of services offered, leading ultimately to attract a large number of tourists. Leisure services offered may be hunting, fishing, extreme sports, cultural tourism, cycling etc., for all these there is financial availability.

Entertainment is likely to resolve the problem at the seaside, where they try to attract tourists also in other periods than in summer. This can be achieved through the development of recreation and entertainment units covering the tourist’s leisure time, using European structural funds.

The third area of integration is that of infrastructure, especially the transport, which places Romania on one of the last places in this regard.

In Romania, from 198.600 km. of roads, only 218 km. are highways, 41 times less than in Germany (9000 km.), France (7800 km.) and Italy (6800 km.). Even our Bulgarian neighbors are a little better in this respect, totaling almost 300 km. of highways.

From Baziaș to Sulina, there are hundreds of kilometers of the Danube and there are only four bridges linking the banks of the river, from which two belong to our country (Cernavodă-Fetești and Giurgeni-Vadu Oii). While European cities have in their travel brochures "romantic" or historical bridges, Romania cannot boast too much about this chapter, although on our territory is the first bridge across the Danube built 18 centuries ago by Apollodorus of Damascus, or the bridge at Cernavodă, considered in its time the largest in Europe (in 1895, the Times wrote that it is "an astonishing achievement in Cernavodă"). All these can prove beside their practical use (to make the switch from one side to another), the possibility to become highly attractive sights, the best example being given by Britain’s
"London Bridge".

Funds will be provided also for works in the field of transport and communications infrastructure, as well as urban technical infrastructure (extension of telephone lines in all localities by using appropriate technology), business and tourism infrastructure (having as a specific objective business and tourism development and attracting new investments by providing sites with adequate technical equipment) and social infrastructure (economic efficiency growth of certain areas, with good access infrastructure).

A final result of the accession and the most visible one is increasing tourist traffic both inside and outside the country. Foreign tourists will be attracted by the richness of resources and diversity of landscapes, Romanian traditions (cultural, religious), unspoiled natural environment, leading to an increasing number of foreign tourists who want to spend their holidays in Romania’s countryside. In fact, rural and ecological motivated tourism will be, according to tourism experts, an exciting breakthrough in the local growing tourism market. Romanian tourists will be attracted primarily by the free movement, using only their ID card when exiting the country by following the border corridors for EU members.

CONCLUSION

Due to strong competition by major tour operators such as TUI, Thomas Cook, Neckerman (which is based on lower prices, initially), there will be cheaper tourism packages for foreign tourists so that they will want to come to Romania and Romanian tourists who want to go abroad, leading to an increase in tourism demand.

There are issues that slow down tourism development in many parts of the country and this due primarily to weak infrastructure, inadequate involvement of local authorities, seaside tourism still poorly diversified, based too much on intern tourism, poor quality of services, poorly trained and motivated staff, poor country's image abroad, requiring a more intensive promotion of Romanian destinations abroad.

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