The Regional Development Agency Experiences of Turkey and Romania

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Abstract: Economic growth and development take priority in a country’s economic and social objectives. When examining historical periods, there are central points in economic and social activities for reasons such as geopolitical status and geographic characteristics. Regional imbalances are a significant socio-economic problem that is apparent in many countries. Development agencies implemented by many developed or developing countries aim to eliminate regional imbalances. Turkey and Romania have different regional development levels. However, both countries face the problem of regional development differences. The EU Regional Policy, through the approach of a regional development agency, can help to close the gap between regions in both countries. The legislative framework of regional development was established by Regional Development Law No. 151 in 1998 after first carrying out an analysis of the regional disparities in Romania. RDAs entered the Turkish legal system with Law No. 5449 concerning the establishment, coordination, and tasks of development agencies in 2006. In this study, we explain both countries’ RDA experiences within the organizational structures and the development of agencies following a theoretical approach.

1. Introduction

Regional development differences are a significant problem that even developed and developing countries face. From the historical aspect of the rise of regional imbalances, industrial revolutions were essential. It was apparent that the destiny of large segments of society and countries changed. Economically, there are developed and underdeveloped regions within the borders of countries. By subverting the economic efficiency of regions, the population distribution, and the unity of city, environment, and nature, the development differences between regions have increased the economic and social costs of development. Consequently, new approaches have started to be adopted to minimize the development differences among regions and ensure the socio-economic integration of the country. By adding regional planning besides the centralist structure, the newly constructed approaches integrate regional shareholders into governance progress. One of these approaches involves regional development agencies, which have been designed as a global model for territorialization. The first example of a regional development agency was the “Tennessee...
Valley Authority’ established in the USA in 1933. Regional development agencies, which attracted the attention of Western European countries in the 1950s, gained speed in the 1970s. Considering the Eastern European countries, regional development agencies were established and became popular in the 1990s within the scope of the EU membership process. In addition, Turkey introduced regional development agencies during its EU membership process in the 1990s, and the establishment of agencies started with the İzmir and Çukurova agencies by harmonizing the standardization of regions with that of the EU in the 2000s. Just like Turkey, Romania introduced development agencies during its EU membership process, establishing 8 development agencies through the law implemented in 1998.

Some of the previous studies on Turkish and Romanian RDAs are those by Özen (2005), Harding (2006), Lagendijk, Kayasu, and Yaşar (2009), Dobre (2010), Özer (2010), Cankorkmaz (2011), Eryılmaz and Tuncer (2013), Özdemir and Efe (2013), Toktaş, Sevinç, and Bozkurt (2013), Çelik, Recepoğlu, and Doğan(2014), and Koçer (2015). These studies focus on RDAs’ legal status, the impacts of regional promotion, development strategies and applications, organizational frames, and staff structures.

In this article, after providing information about regional development agencies and their scope, we will discuss the features of the development agencies established in Turkey and Romania, such as their legal status, the number of personnel, the number of agencies, and the effects on the country’s economy, after providing general information about the agencies in first Romania and then Turkey. Then we will present the actual situations of the agencies of Romania, a new member of the European Union, and Turkey, which for a long time has held the status of a candidate country.

2. The Description and Scope of Regional Development Agencies

The term ‘region’, having the Latin etymological root of ‘regio: environment, area’, is a term with multiple dimensions and meanings, and it is very hard to draw its borders (Apan, 2004: 39). It seems to be particularly difficult to find a definition of the region that can be widely accepted. While a region is described as a land area constituting unity regarding physical or cultural features on one hand and differing from its neighbours in this aspect on the contrary, it is also described as a geographical administrative unit in which some services are provided that should be coordinated between the government and the territorial authority of cities at the civilian authority level (Tekin, 2011: 37). The term ‘region’, which previously had no administrative or institutional content, has gained socio-economic meaning, as it has started to refer to some aspects of the administration of a region (Beer & Maude, 2002: 61–65).

According to the European Association of Development Agencies (EURADA), regional development agencies are organizational structures that identify general and sectoral problems, use methods and opportunities for solving those problems, and promote different projects. This description shows that RDAs are affected by certain parameters, although they have dynamic structures. Although those parameters vary depending on the characteristics of countries and regions, according to the European Association of Development Agencies, some of the elements must be provided for the sustainable success of RDAs in their regions. Those elements are stated as follows (Eurada, 1999: 17, Toktaş, et al. 2003: 677):

- A sufficiently large population;
- Entrepreneurial and enterprise potential;
- A qualified labour force;
- Consensus on the local/regional development strategy;
- Structures of the sectors in the field to be developed.

In addition to the above, other factors affect the success of RDAs. One of these is finance. The condition of resources affects the efficiency of RDAs in the planning, managing, and practice phases. Another factor is legality and authority. It reflects an RDA’s legal representativeness of the region and its capability to obtain the business environment’s support. For the success of RDAs, it is necessary to be supported by both the local base and the central government. Their tasks also influence the efficiency of RDAs. Agencies should
make an effort to research the sectors forming the base of the regional economy. Regional consistency and the support of society are vital (Hasanoğlu & Aliyev, 2006: 95).

The basic reasons for the establishment of regional development agencies are to implement regional strategies, to support local and regional entrepreneurship, to help improve infrastructural services, to research local–regional solutions for the near future of the private sector, and to investigate financial guarantees and solutions for the production of new products and services to satisfy regional demands (Maç, 2006: 1).

3. The European Union and Regional Development Agencies

Regional development agencies (RDAs) have been part of many Western European societies since the 1950s, playing an intermediary role in regional development. The European Union (EU) has been an important supporter of these types of entities (Halkier, Danson, & Dambor, 1998: 106). Inequalities between regions could interfere with the adherence to the EU. These types of programmes were initially considered to be payments to less developed countries of the EU. However, with time, the programmes have developed to become one of the main elements in all EU countries and have evolved into the second-largest item in the budget of the EU after the Common Agricultural Policy (Ansell, 2000: 303–333).

The European Commission, in managing these programmes, has tried to place a European emphasis, rather than a national one, on regional development, making a considerable effort to embrace partnerships and endogenous development. Moreover, the European Commission addressed the issue of governance systematically regarding the condition of acceding to the EU, after the 1988 and 1992 reforms and at the time of the accession of the Eastern and Central European countries (Koçak, 2010: 12–20). The 1988 reforms, which were implemented due to the fact that the administrative and legislative systems of each state have to be able to adapt to the economic changes, had the following objectives:

- The transformation of the regional policies into an instrument that has a real impact;
- The use of multiannual approaches in the case of expense planning;
- The accomplishment of partnerships with the view of the regional policies’ application (Ghioltan, 2008: 12–20).

The 1992 reform emphasized the specific objectives of the structural funds:
- The development of the regions that were less developed;
- Fighting long-term unemployment and reducing it in relation to young people;
- Levelling the structures from agriculture and the development of rural areas (Ghioltan, 2008: 12–20).

To continue, many candidate countries from Central and Eastern Europe (CEECs) established RDAs to be eligible for EU membership. It is very important to notice that the EU puts considerable emphasis on the fact that the candidate states have to harmonize their local and regional governance structures by putting in place decentralized regional organizations that enhance the regional capacity. There is a preference of the EU for unity in the administration of the territorial arrangement, which is highlighted in the unity of the accession conditions of the EU (Hughes, Sasse, & Gordon, 2001: 151).

Since the late 1990s, the European Commission has imposed regional institutional capacity as a core requirement for accession. In this regard, Hughes et al. (2001) observe that the states preparing for EU membership (mainly Eastern and Central European ones) have applied two types of regional governance: democratization reforms, designed to promote an efficient regional development policy, improving administrative efficiency, and administrative reforms, which do not have a political, institutional component.

The European Commission demands the parallel development of national and regional governance as well as interaction between them. Moreover, ‘The Commission favored an asymmetric model that would reconfigure and harmonize their candidate countries’ regional and local governance by establishing elected
regional institutions with decentralized powers’ (Hughes, Sasse, & Gordon, 2004: 12). Further, it is of the utmost importance to mention the European Commission’s Directorate-General (DG) for Regional and Urban Policy, of which the main goals are to strengthen the economic, social, and territorial cohesion by decreasing the differences between the levels of development of the regions and countries in the European Union.

Currently, at the EU level (DG), there are several structural funds that represent important financial instruments in the regional policies. These have been created in different periods and have the role of coordinating the regional policies, as well as supporting regional projects, at the European level. The structural funds will be described below (The European Commission, 2013).

The European Regional Development Fund (ERDF) has the purpose of strengthening the social and economic cohesion in the EU by levelling the discrepancies between its regions. The ERDF provides small to medium-sized enterprises with economic support to develop sustainable jobs, telecommunications, research and innovation, environment, energy, and technology. The ERDF could interfere with the goals of regional policy, convergence, regional competition, and employment as well as regional cooperation.

The European Social Fund (ESF) aims to improve the job and employment opportunities in the community by intervening in the objectives of regional competition, employment, and convergence. The ESF tries to provide support in areas such as access to jobs for unemployed people, women, and migrants; reforming education systems; integration for disadvantaged people; and fighting discrimination in job markets.

Furthermore, the Cohesion Fund targets members that have a gross national income lower than 90% of the European Union average; specifically, in the period 2007–2013, it concerned Bulgaria, Cyprus, the Czech Republic, Estonia, Greece, Hungary, Lithuania, Latvia, Poland, Portugal, Romania, Slovenia, and Slovakia. The fund helps European transport networks financially and assists with investments in the environment, energy, or transport and the use of renewable energy (The European Union, 2014).

Another four financial tools were launched in 2007 to provide technical support, help small and medium-sized enterprises (SMEs) to gain access to microfinance, and support city development. The European Union Solidarity Fund (EUSF) provides support in the case of big natural disasters (The European Union, 2014).

Finally, the results of the EU Regional Policy should be considered. Improvements have been recorded in job creation, economic growth, and quality of life. The gross domestic product (GDP) in the EU’s least-developed regions increased from 60.5% of the EU 27 average in 2007 to 62.7% in 2010. Around 400,000 additional jobs were created from 2007 to 2012, and 53,000 start-ups and 16,000 co-operation projects were supported. Life in cities was improved as a result of 7,000 projects to improve sustainability and so forth (Eurostat, 2015).

4. Romania and Regional Development Agencies

Despite the enforced efforts for the harmonization of territorial economic development during the socialist period, Romania is faced with major disparities between the levels of economic and social development of the various parts of the country. Furthermore, the development promoted before the year 1990 resulted in obligatory industrialization of all countries, without taking efficiency criteria into account. This led to deepening regional imbalances given the conditions of transition to a market economy after 1990 (Mutaşcu et al., 2008: 103).

In 1995 Romania expressed its official intention to accede to the EU through its application for membership. As a consequence, in 1997 it was accepted as a candidate state. This decision motivated Romania’s adoption of a policy of regional development to harmonize its existing regulations in the framework of the European Union, reduce regional imbalances, and integrate the development of the activities within the areas to (or ‘intending to’) achieve a high level of economic and social welfare.

Until that date, Romania had not clearly formulated a regional development policy, although the Government had acted in this respect through various macroeconomic and sectoral policies. The main internal instrument used for solving the regional issues was represented by the state budget, through which
it redistributed the financial resources deployed to central public administration to the various objectives that will be considered that may lead to reduced disparities. The importance of local budgets in achieving the regional policy objectives was rather small due to both powerful dependence on the state budget (regarding the revenue volume) and insignificant financial autonomy.

The legislative framework of regional development was established in 1998 after the first analysis of regional disparities in Romania was carried out. Previously, in 1997 the ‘Green Charter of Regional Development in Romania’ had been drawn up, which facilitated further action for the definition of the legislative and institutional framework.

Given the conditions for the transition to a competitive economy and decentralization, the creation of the institutional framework became possible, setting the objectives, competencies, and specific instruments of the regional development policy. In this respect, regional development was legislated in Romania through Law No. 151/1998, replaced by Law No. 315/28 June 2004, relating to regional development in Romania, accompanied by a set of executive decisions and emergency ordinance that ensured transposition in practice. Among these, Government (Executive) Decision No. 497/2004, which has as its main aim the institutional framework for the coordination, implementation, and management of the community financial assistance granted to Romania through the structural instruments, is of great importance.

According to these laws, the regional development policy reflects all the policies adopted by the Government through central public administration components, local public administration authorities’ specialized regional bodies, and the socio-economic partners involved. The main aims are to ensure balanced and sustainable economic growth and social development for certain geographical areas, to improve the international competitiveness, and to reduce the economic and social disparities existing between Romania and the Member States of the European Union (Law No. 315/2004, Article 2, Paragraph 1). Therefore, the regional development policy strengthens the role and responsibilities of local public administration authorities and specialized regional bodies in the economic and social development of each locality as well as the development of the regions. These aims and responsibilities highlight the importance of the regional development policy as an essential component of local autonomy.

Regarding the decentralization process, one can argue that Romania is still acting as a centralized state rather than a decentralized one, with a decentralization index of 43, whereas the EU average is 45. In comparison with other East European countries, Poland (48) and Hungary (44) have a higher decentralization index while countries such as Slovakia (36), Latvia (33), Lithuania (34), Estonia (31), and Bulgaria (25) have a lower decentralization index. The decentralization index was developed by the Assembly of European Regions and shows the degree of decentralization of a country or conglomerate on a scale from 0 to 100. High scores represent a high degree of decentralization, and low scores indicate a low degree of decentralization (Assembly of European Regions, 2009: 26).

The current institutional framework for regional policy in Romania includes both the central and the regional level, its purpose being to take major decisions within a regulated framework and to contribute to the implementation of the actions and measures with a local impact. This system consists of the Ministry of Development Regional and Public Administration, the National Council of Regional Development, regional development agencies, and regional development councils. The main tools used for implementing regional development for 2007–2013 as well as the institutions are reported in Table 1 (Antonescu: 2013: 83):
Table 1. Regional Development in Romania – Tools and Institutions

<table>
<thead>
<tr>
<th>CENTRAL LEVEL</th>
<th>LOCAL LEVEL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Institutions</td>
<td>Strategic Documents</td>
</tr>
<tr>
<td>Ministry of Regional Development and Public Administration – the managing authority for implementing the ROP</td>
<td>National Strategy for Regional Development</td>
</tr>
<tr>
<td>Monitoring Committee</td>
<td>Regional Operational Programme (ROP)</td>
</tr>
<tr>
<td>National Council for Regional Development</td>
<td>Regional development councils</td>
</tr>
</tbody>
</table>

Source: Antonescu (2013: 83).

The National Council for Regional Development (NCRD) is a structure at the national level that does not have a legal personality but plays a decisive role in elaborating and implementing the goals of the national policies and regional development (Government Decision No. 772/2005, Article 1). The council is composed of 32 members (Government Decision No. 722/2005, Article 3).

The Regional Development Council (RDC) does not have a legal personality either; it is the deliberative body that was developed by the partnership principle at the scale of each region. It coordinates the drafting and monitoring of the activities that come from the regional development policies. The Regional Development Board is composed of the presidents of the councils in the counties and a representative of the local board (municipal, city, and communal) within every county of the region (Ministry of Regional Development and Public Administration, 2013).

The regional policy in Romania is implemented by the regional development agencies (RDA), made up of groups of counties and established by the voluntary association of their use by the signed Convention. These regions were established by taking into account the functional potential integration criteria around some polarization centres, corresponding to the NUTS level 2 of the European Union. In addition, in the setting up of the regions, other criteria were taken into account, such as the complementarity of resources, economic activities, and social or functional connections. The eight regional development agencies, created by the regional development Law No. 151/1998 (as amended by Law No. 315/2004: 12), are shown in Table 2:

Table 2. Romanian Regional Development Agencies

<table>
<thead>
<tr>
<th>CODE</th>
<th>NUTS 2 REGION</th>
<th>NUTS 3 REGION</th>
</tr>
</thead>
<tbody>
<tr>
<td>RO11</td>
<td>North-West</td>
<td>Bihor, Bistriţa-Năsăud, Cluj, Maramureş, Sălaj, Satu-Mare</td>
</tr>
<tr>
<td>RO12</td>
<td>Centre</td>
<td>Alba, Sibiu, Braşov, Covasna, Harghita, Mureş</td>
</tr>
<tr>
<td>RO21</td>
<td>North-East</td>
<td>Bacău, Botoşani, Iaşi, Neamţ, Suceava, Vaslui</td>
</tr>
<tr>
<td>RO22</td>
<td>South-East</td>
<td>Brăila, Buzău, Constanţa, Galaţi, Tulcea, Vrancea</td>
</tr>
<tr>
<td>RO31</td>
<td>South Muntenia</td>
<td>Argeş, Călăraşi, Dâmboviţa, Giurgiu, Ialomiţa, Prahova, Teleorman</td>
</tr>
<tr>
<td>RO32</td>
<td>Bucharest-Ilfov</td>
<td>Bucureşti, Ilfov</td>
</tr>
<tr>
<td>RO41</td>
<td>South-West Oltenia</td>
<td>Dolj, Gorj, Mehedinţi, Olt, Vâlcea</td>
</tr>
<tr>
<td>RO42</td>
<td>West</td>
<td>Arad, Caraş-Severin, Hunedoara, Timiş</td>
</tr>
</tbody>
</table>

Source: Eurostat (2013a).
The regional development agency from each region of development acts as a non-governmental body, non-profit organization, and public utility, with a legal personality, which operates in the regional field development. Among the main responsibilities of RDAs it is worth mentioning the drawing up of the strategy, plan, and regional development programmes as well as ensuring the implementation of the Regional Operational Programme (ROP). Each RDA operates under its own budget, whereas its income is represented by contributions from county councils.

According to the context indicators from the ROP, a regional top has been realized for development at the economic, social, and urban levels, in which the value of 1 is the highest and the value of 8 represents the lowest value. The regional top according to the context indicators from the ROP is presented in Table 3.

<table>
<thead>
<tr>
<th>INDICATORS</th>
<th>RO11</th>
<th>RO12</th>
<th>RO21</th>
<th>RO22</th>
<th>RO31</th>
<th>RO32</th>
<th>RO41</th>
<th>RO42</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population</td>
<td>4</td>
<td>5</td>
<td>1</td>
<td>3</td>
<td>2</td>
<td>7</td>
<td>6</td>
<td>8</td>
</tr>
<tr>
<td>Cities with fewer than 20,000</td>
<td>4</td>
<td>1</td>
<td>5</td>
<td>6</td>
<td>2</td>
<td>7</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>habitants</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cities with between 20,000 and</td>
<td>4</td>
<td>1</td>
<td>2</td>
<td>6</td>
<td>2</td>
<td>7</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>99,999 habitants</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cities with more than 100,000</td>
<td>2</td>
<td>3</td>
<td>1</td>
<td>5</td>
<td>4</td>
<td>5</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>habitants</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GDPPC (2004)</td>
<td>4</td>
<td>3</td>
<td>8</td>
<td>5</td>
<td>6</td>
<td>1</td>
<td>7</td>
<td>2</td>
</tr>
<tr>
<td>Labour productivity (2004)</td>
<td>4</td>
<td>2</td>
<td>8</td>
<td>5</td>
<td>6</td>
<td>1</td>
<td>7</td>
<td>3</td>
</tr>
<tr>
<td>FDI</td>
<td>6</td>
<td>3</td>
<td>8</td>
<td>2</td>
<td>5</td>
<td>1</td>
<td>7</td>
<td>4</td>
</tr>
<tr>
<td>SME</td>
<td>2</td>
<td>3</td>
<td>5</td>
<td>4</td>
<td>6</td>
<td>1</td>
<td>8</td>
<td>7</td>
</tr>
<tr>
<td>Business framework</td>
<td>3</td>
<td>1</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>3</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Public road density</td>
<td>5</td>
<td>7</td>
<td>2</td>
<td>8</td>
<td>4</td>
<td>1</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>Public roads upgraded</td>
<td>4</td>
<td>7</td>
<td>6</td>
<td>8</td>
<td>3</td>
<td>1</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>Education institutions</td>
<td>6</td>
<td>1</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>8</td>
<td>5</td>
<td>7</td>
</tr>
<tr>
<td>Hospitals</td>
<td>3</td>
<td>5</td>
<td>1</td>
<td>6</td>
<td>2</td>
<td>4</td>
<td>8</td>
<td>7</td>
</tr>
<tr>
<td>Service institutions</td>
<td>4</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>5</td>
<td>6</td>
<td>7</td>
<td>-</td>
</tr>
<tr>
<td>Tourist accommodation</td>
<td>3</td>
<td>2</td>
<td>5</td>
<td>1</td>
<td>4</td>
<td>8</td>
<td>7</td>
<td>6</td>
</tr>
</tbody>
</table>

Source: Antonescu (2013: 87).

Regarding the expected effects on the economy generated by RDAs’ activity, a very useful indicator is the gross domestic product per capita (GDPPC) and its evolution since the RDAs appeared from 1998 to 2010.
Given that one of the main aims of RDAs is to support business environment development, one can observe that the effect of RDAs is positively associated with economic growth through the GDPPC. The inflection point from 2008 followed by a decrease can be explained by the financial crisis. However, there are still disparities between regions as well as in comparison with the EU average (Figure 2).

For the multi-annual programme for 2007–2013, the RDAs were mainly responsible for implementing the ROP. There are several priority axes available for financing, from urban development to road infrastructure, social infrastructure, business environment, and tourism. For instance, 274.4 million euros were allocated to developing business structures and expected to create 15 structures. To support SMEs’ development, 200.09 million euros were allocated and expected to create 3,000 new jobs, as reflected in the following table.
Table 4. The Regional Impact on SME Development

<table>
<thead>
<tr>
<th>REGION</th>
<th>FINANCIAL ALLOCATION (MIL. EURO)</th>
<th>SHARE OF THE TOTAL FINANCIAL ALLOCATION (%)</th>
<th>NUMBER OF SMEs</th>
<th>NUMBER OF NEW JOBS</th>
</tr>
</thead>
<tbody>
<tr>
<td>RO11</td>
<td>24.19</td>
<td>12.10%</td>
<td>181</td>
<td>362</td>
</tr>
<tr>
<td>RO12</td>
<td>21.81</td>
<td>10.09%</td>
<td>164</td>
<td>327</td>
</tr>
<tr>
<td>RO21</td>
<td>32.66</td>
<td>16.30%</td>
<td>245</td>
<td>490</td>
</tr>
<tr>
<td>RO22</td>
<td>26.51</td>
<td>13.20%</td>
<td>199</td>
<td>397</td>
</tr>
<tr>
<td>RO31</td>
<td>28.47</td>
<td>14.20%</td>
<td>213</td>
<td>427</td>
</tr>
<tr>
<td>RO32</td>
<td>17.73</td>
<td>8.90%</td>
<td>133</td>
<td>266</td>
</tr>
<tr>
<td>RO41</td>
<td>28.03</td>
<td>14.00%</td>
<td>210</td>
<td>420</td>
</tr>
<tr>
<td>RO42</td>
<td>20.69</td>
<td>10.30%</td>
<td>155</td>
<td>310</td>
</tr>
<tr>
<td>Total</td>
<td>200.09</td>
<td>100.00%</td>
<td>1,500</td>
<td>3,000</td>
</tr>
</tbody>
</table>


As expected, to reduce the disparities between the regions, the smallest financial grants were allocated to the most developed regions, namely Bucharest-Ilfov (8.93%) and West (10.30%). Overall, it was expected that each SME that benefited from financial grants would create two new jobs. The results of implementing the ROP through RDAs are reflected in the utilization degree of the funds (Table 5):

Table 5. The Utilization Degree of the Funds for the ROP

<table>
<thead>
<tr>
<th>REGION</th>
<th>ALLOCATED VALUE (FEDR + STATE BUDGET) MILLION RON</th>
<th>PROJECTS SUBMITTED</th>
<th>PROJECTS REJECTED</th>
<th>PROJECTS CONTRACTED</th>
<th>UTILIZATION DEGREE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>#</td>
<td>Value (Million RON)</td>
<td>#</td>
<td>Value (Million RON)</td>
</tr>
<tr>
<td>RO11</td>
<td>2,122.7</td>
<td>1199</td>
<td>4,497.1</td>
<td>557</td>
<td>1,303.9</td>
</tr>
<tr>
<td>RO12</td>
<td>1,913.0</td>
<td>1174</td>
<td>5,132.0</td>
<td>591</td>
<td>1,906.9</td>
</tr>
<tr>
<td>RO21</td>
<td>2,861.5</td>
<td>1248</td>
<td>6,199.1</td>
<td>490</td>
<td>1,166.8</td>
</tr>
<tr>
<td>RO22</td>
<td>2,323.4</td>
<td>1047</td>
<td>4,526.6</td>
<td>340</td>
<td>1,199.9</td>
</tr>
<tr>
<td>RO31</td>
<td>2,500.4</td>
<td>1013</td>
<td>5,556.6</td>
<td>289</td>
<td>1,599.5</td>
</tr>
<tr>
<td>RO32</td>
<td>1,554.8</td>
<td>786</td>
<td>4,234.8</td>
<td>303</td>
<td>1,200.4</td>
</tr>
<tr>
<td>RO41</td>
<td>2,459.2</td>
<td>957</td>
<td>4,848.4</td>
<td>345</td>
<td>1,030.8</td>
</tr>
<tr>
<td>RO42</td>
<td>1,815.5</td>
<td>763</td>
<td>4,689.0</td>
<td>268</td>
<td>1,156.8</td>
</tr>
<tr>
<td>TOTAL</td>
<td>17,550.4</td>
<td>8187</td>
<td>39,683.5</td>
<td>3183</td>
<td>10,565.0</td>
</tr>
</tbody>
</table>


It is worth noting that, of all seven operational programmes available for Romania for the multi-annual period 2007–2013, the Regional Operational Programme was the most successful, with the highest absorption rate (Table 6).
Table 6. Absorption Rate for EU Funds

<table>
<thead>
<tr>
<th>PROGRAMME</th>
<th>EU ALLOCATION (MILLION EURO)</th>
<th>PROJECTS SUBMITTED</th>
<th>PROJECTS APPROVED</th>
<th>EU PAYMENTS %</th>
<th>CURRENT ABSORPTION RATE %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td># Value (Million RON)</td>
<td># Value (Million RON)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ROP</td>
<td>3,726.02</td>
<td>8.45</td>
<td>58,776.42</td>
<td>3.88</td>
<td>30,268.00</td>
</tr>
<tr>
<td>Environment</td>
<td>4,512.47</td>
<td>650.00</td>
<td>40,073.72</td>
<td>456.00</td>
<td>35,145.04</td>
</tr>
<tr>
<td>Transport</td>
<td>4,565.93</td>
<td>164.00</td>
<td>59,643.25</td>
<td>98.00</td>
<td>27,964.89</td>
</tr>
<tr>
<td>Economic Competitiveness</td>
<td>2,554.22</td>
<td>15.61</td>
<td>80,505.44</td>
<td>4.72</td>
<td>29,964.36</td>
</tr>
<tr>
<td>Human Resources</td>
<td>3,476.14</td>
<td>12.88</td>
<td>57,447.74</td>
<td>3.05</td>
<td>16,249.96</td>
</tr>
<tr>
<td>Administration</td>
<td>208.02</td>
<td>1.37</td>
<td>3,673.79</td>
<td>421.00</td>
<td>1,293.35</td>
</tr>
<tr>
<td>Assistance</td>
<td>170.23</td>
<td>145.00</td>
<td>1,029.48</td>
<td>123.00</td>
<td>839.47</td>
</tr>
<tr>
<td>TOTAL</td>
<td>19,213.03</td>
<td>39.27</td>
<td>301,149.8</td>
<td>12.75</td>
<td>141,725.0</td>
</tr>
</tbody>
</table>

Source: Structural Funds (Fonduri Structurale) (2015).

We consider that that efficiency activity of RDAs was one of the factors that led to such a high absorption rate in comparison with the other programmes. Furthermore, the RDAs were involved in assessing the projects for the Sectoral Operational Programme Increase of Economic Competitiveness, in which the Management Authority was faced with an issue in the assessment process.

5. Turkey and Regional Development Agencies

There are serious developmental differences among the regions of Turkey; while some regions are at the EU level, others have the same developmental level as some African countries (Taş, 2008: 7). As in other countries, the interregional developmental differences in Turkey may arise for economic and social reasons, geographical reasons, and historical reasons. In general, the distribution of qualified labour, the entrepreneurial population and capital among regions, rapid population movements, the level of population growth, the labour force participation rates, the distribution of public investments, the size of the internal market, the incomplete infrastructure investments in some regions, differences in transportation and communication, and institutional deficiencies in regional planning are some of the economic and social reasons behind the differences (Kulaksız, 2008: 25). The fact that some regions are at the EU level while others have the same developmental level as some African countries (Taş, 2008: 7) clearly shows the importance of Turkey’s efforts to eliminate the regional imbalances. The regional balancing policies started with five-year development plans in the 1960s. Certainly, the aim of those policies was to maintain the development of socio-economically underdeveloped regions of the country. Before implementing the development agencies model, eight development plans were prepared in Turkey, but the projects that they included either could not be implemented or could be implemented only partially due to authority conflicts or incompatibility between institutions, plans, and projects based on the subjective approaches of relevant governments rather than the realities of the country. Some of those plans were the East Marmara Planning Project, Antalya Project, Çukurova Region Project, Southeastern Anatolia Project, Zonguldak-Bartın-Karabük Region Project, Eastern Anatolia Project Plan, and Eastern Black Sea Development Plan (Yüceyılmaz, 2007: 51–52).

Turkey introduced regional development agencies in 1999. In the Accession Partnership Document prepared by the European Union Commission, it was stated that the establishment of regional development agencies was considered as a mid-term regulation. After that document, the legislation progress started (Hasanolu & Aliyev, 2006: 81). The first step of RDA establishment was taken by accepting the Accession Partnership Document on 4 April 2003, and the Nomenclature of Territorial Units for Statistics (NUTS) was implemented in harmony with the standards. As a result of this classification, three statistical region unit
levels were described. The aim of this effort was to harmonize the data of Turkey with the EU standards (Eren & Cideciçililer, 2011: 391).

Even though the first efforts concerning regional development agencies in Turkey were made in the 1990s, those agencies entered the legal system with the law about the establishment, coordination, and tasks of development agencies, Law No. 5449 (25 January 2006).

The regional development agencies in Turkey are listed below according to the NUTS level 2 classification. The number of RDAs, which started with 2 in 2006, has reached 25 now.

<table>
<thead>
<tr>
<th>NUTS LEVEL 2 REGIONS</th>
<th>DEVELOPMENT AGENCIES</th>
<th>NUTS LEVEL 2 REGIONS</th>
<th>DEVELOPMENT AGENCIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>TR1: İstanbul</td>
<td>TR7: Middle Anatolia</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TR10: İstanbul</td>
<td>İSTKA</td>
<td>TR71: Aksaray, Kırıkkale, Kırşehir, Niğde, Nevşehir</td>
<td>AHİKA</td>
</tr>
<tr>
<td>TR2: Western Marmara</td>
<td>TR72: Kayseri, Sivas, Yozgat</td>
<td>TR8: Western Black Sea</td>
<td></td>
</tr>
<tr>
<td>TR21: Edirne, Kırklareli, Tekirdağ</td>
<td>TRAKYAKA</td>
<td>TR81: Bartın, Karabük, Zonguldak</td>
<td>BAKKA</td>
</tr>
<tr>
<td>TR22: Balıkesir, Çanakkale</td>
<td>GMKA</td>
<td>TR82: Çankırı, Kastamonu, Sinop</td>
<td>KUZKA</td>
</tr>
<tr>
<td>TR3: Aegean</td>
<td>TR83: Amasya, Çorum, Samsun, Tokat</td>
<td>OKA</td>
<td></td>
</tr>
<tr>
<td>TR31: İzmir</td>
<td>İZKA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TR32: Aydın, Denizli, Muğla</td>
<td>GEKA</td>
<td>TR9: Eastern Black Sea</td>
<td></td>
</tr>
<tr>
<td>TR33: Afyonkarahisar, Kütahya, Manisa, Uşak</td>
<td>ZAFERKA</td>
<td>TR90: Artvin, Giresun, Gümüşhane, Ordu, Rize, Trabzon</td>
<td>DOKA</td>
</tr>
<tr>
<td>TR4: Eastern Marmara</td>
<td>TRA: North-Eastern Anatolia</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TR41: Bilecik, Bursa, Eskişehir</td>
<td>BEBKA</td>
<td>TRA1: Bayburt, Erzincan, Erzurum</td>
<td>KUDAKA</td>
</tr>
<tr>
<td>TR42: Bolu, Düzce, Kocaeli, Sakarya, Yalova</td>
<td>MARKA</td>
<td>TRA2: Ağrı, Ardahan, Iğdır, Kars</td>
<td>SERKA</td>
</tr>
<tr>
<td>TR5: Western Anatolia</td>
<td>TRB: Middle-Eastern Anatolia</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TR51: Ankara</td>
<td>ANKARAKA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TR52: Karaman, Konya</td>
<td>MEVKA</td>
<td>TRB1: Bingöl, Elazığ, Malatya, Tunceli</td>
<td>FKA</td>
</tr>
<tr>
<td>TR6: Mediterranean</td>
<td>TRC: South-eastern Anatolia</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TR61: Antalya, Burdur, Isparta</td>
<td>BAKA</td>
<td>TRC1: Adıyaman, Gaziantep, Kilis</td>
<td>İKA</td>
</tr>
<tr>
<td>TR62: Adana, Mersin</td>
<td>ÇKA</td>
<td>TRC2: Diyarbakır, Şanlıurfa</td>
<td>KARACADAĞKA</td>
</tr>
<tr>
<td>TR63: Hatay, Kahramanmaraş, Osmaniye</td>
<td>DOĞAKA</td>
<td>TRC3: Batman, Mardin, Şırnak, Siirt</td>
<td>DİKA</td>
</tr>
</tbody>
</table>


The regional development agencies, which had the basic aim of developing the region in which they were established and eliminating the development difference from other regions, were established with those aims by the law about the establishment, coordination, and tasks of development agencies, Law No. 5449 (translated by Toktaş et al., 2013: 674):

- To improve the cooperation between public sector, private sector, and non-governmental organizations;
- To ensure the efficient usage of resources in appropriate locations;
- To accelerate the regional development in harmony with the national development plans and programmes by activating the local potential;
- To ensure sustainability and to minimize the inter- and intraregional development differences.
The İzmir and Çukurova regional development agencies were the first RDAs in Turkey, and they were established by Cabinet Decision No. 2006/10550. The Çukurova Development Agency was brought into effect on 6 January 2007, while the İzmir Development Agency came into effect on 13 January 2007. After the establishment of these two RDAs, their activities were stopped by the court. After making a decision about their suspended activities, the court decided that their activities were beneficial. Following the court’s positive decision, the establishment of new agencies continued (Toktaş et al., 2013: 674).

The RDAs’ legal status was elucidated with the establishment of Law No. 5449. In the third article of the law, it is stated that agencies are a legal entity and are subject to private legal provisions in all of their actions that are not regulated by this law. It is obvious that agencies are a legal entity, but it has not been clarified whether their legal entity is based on public or private law (Eren & Cidecigiller, 2011: 402).

The auditing of development agencies was described in the twenty-fifth article of Law No. 5449. According to that article, internal and external audits would be performed in agencies. While the internal audits would be performed by the Minister of the Board of Management of the agency or the general secretary and an internal auditor, the external audits would be performed by an independent audit firm established by the Capital Markets Council regulations (Koçberber, 2006: 48).

To achieve the goals determined by the legislation, the agencies perform their activities with their personnel consisting of secretaries, seniors, support personnel, and internal auditors. Except for secretaries, the number of personnel of the agencies reached 933 in 2011, while it was 769 in 2010. The distribution of agency personnel in 2011 is given below.

<table>
<thead>
<tr>
<th>TITLE</th>
<th>QUANTITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agency Secretary</td>
<td>25</td>
</tr>
<tr>
<td>Senior</td>
<td>766</td>
</tr>
<tr>
<td>Support</td>
<td>151</td>
</tr>
<tr>
<td>Internal Auditor</td>
<td>16</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>958</strong></td>
</tr>
</tbody>
</table>


The development agencies in Turkey consist of four basic organs:

- Development Council;
- Board of Management;
- Office of General Secretary;
- Investment Support Offices.

The main incomes and expenses of development agencies are stated in the nineteenth article of Law No. 5449, as shown in Table 9.

Agencies around Turkey provide direct activity, technical, directed, and investment support. Agencies, depending on the plans that they have prepared according to their aims stated in the law, have utilized one or several tools periodically. As they started to publish the support amounts in activity reports, their economic effects on Turkey became understandable and analysable.

According to data from the 2010–2011 activity reports of agencies, the support and completed projects are listed below in Table 10.
Table 9. The Main Incomes and Expenses of Development Agencies

<table>
<thead>
<tr>
<th>INCOMES</th>
<th>EXPENDITURES</th>
</tr>
</thead>
<tbody>
<tr>
<td>The share that is determined by the Higher Planning Council for each</td>
<td>Plan, programme, and project expenditures</td>
</tr>
<tr>
<td>of the agencies according to the population, development level, and</td>
<td></td>
</tr>
<tr>
<td>performance criteria from the transfer subventions to be allocated with</td>
<td></td>
</tr>
<tr>
<td>a rate of 0.5% from the general budget tax collection in the previous</td>
<td></td>
</tr>
<tr>
<td>year after subtracting the shares to be allocated to tax returns, local</td>
<td></td>
</tr>
<tr>
<td>authorities, and funds</td>
<td></td>
</tr>
<tr>
<td>The resources to be received from the EU and other international funds</td>
<td>Project- and activity-supporting expenditures</td>
</tr>
<tr>
<td>Activity revenues</td>
<td>Research and development expenditure,</td>
</tr>
<tr>
<td>The 1% share of the previous year’s actual budget incomes of industry</td>
<td>Advertising and training expenditures</td>
</tr>
<tr>
<td>and commerce chambers in the region</td>
<td></td>
</tr>
<tr>
<td>The grants from national and international institutions and</td>
<td>Expenditures on movable and immovable goods and services</td>
</tr>
<tr>
<td>organizations</td>
<td></td>
</tr>
<tr>
<td>Incomes from the previous year</td>
<td>Management and personnel expenditures; other operation expenditures</td>
</tr>
</tbody>
</table>

Source: Toktaş et al. (2013: 677).

Table 10. Support Activities 2010–2011

<table>
<thead>
<tr>
<th>Support Type</th>
<th>2010</th>
<th>2011</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amount of Support Announced</td>
<td>Number of Project Applications</td>
<td>Number of Successful Applications (Percentage of Total)</td>
</tr>
<tr>
<td>Direct Activity</td>
<td>5,221,355</td>
<td>559</td>
<td>94</td>
</tr>
<tr>
<td>Technical Support</td>
<td>4,073,300</td>
<td>627</td>
<td>451</td>
</tr>
</tbody>
</table>


Within the scope of direct activity support programmes, industrial research studies about the leading sectors in the region, development strategy analysis, feasibility studies in various fields, environmental condition assessments, clustering, strategy plans, social research studies, and inventory studies are supported (General Activity Report of Development Agencies, 2011: 74). In 2010, 8 agencies announced direct support programmes, and the allocated resources amounted to 5,221,335 TL. A total of 559 applications were delivered to agencies, and 94 of them won the right to be supported (General Activity Report of Development Agencies, 2010: 33). In 2011, 23 agencies announced direct activity support programmes. The amount of resources allocated to these support programmes was 19.4 million TL. In total, 1,302 activity applications were delivered to agencies, and 398 of them won the right to be supported (General Activity Report of Development Agencies, 2011: 74). The amount of support provided is gradually increasing, but there is another matter that is interesting: the increase in project applications. It indicates that the knowledge about the preparation of business plans and project preparation in Turkey is increasing.

Technical support is the type of support provided through personnel or service procurement of related institutions and companies to improve the technical capacities of agencies without giving any financial support (General Activity Report of Development Agencies, 2011: 79). In 2009, 5 agencies announced proposal requests, and the assessments were completed in 2010. The total amount of resources allocated to agencies for programmes was 95.2 million TL, and 414 of 2,576 project applications were
The Regional Development Agency Experiences of Turkey and Romania

deemed to be appropriate for support. The percentage of supported projects of the total applications reached 16%. The amount of resources allocated to 627 project applications in 2010 was 4,073,300 TL (General Activity Report of Development Agencies 2010: 33–34). In 2011, 17 agencies conducted technical support programmes. The amount of resources allocated to the total of 1,503 applications for technical support was 8.6 million TL. Local administrations, local administration unions, universities, occupational schools, research institutes, public institutions and organizations, occupational organizations in the state institution form, and civil society organizations are the institutions and organizations that can profit from technical support (General Activity Report of Development Agencies, 2011: 79). The main aim of the programme is to support the planning- and development-supporting activities of those institutions and organizations.

Within the scope of technical support programmes, support has been provided for efforts regarding career education about various sectors and issues such as project preparation, business plans and methods, human resource management, the preparation of feasibility studies about historical artefact restoration, agricultural production and the struggle with anti-crop agents, branding and patents, skill improvement training for handicapped people, and the improvement of mutual understanding and civil society relationships between the EU and Turkey by improving the intercultural dialogue, translation, and reporting.

In administrated project support, the project started with the leadership of the agency. The administrated project support is the leadership of the agency in strategically important projects, the coordination conducted by the agency, and the procurement of direct financial and technical support containing large-budget infrastructural and/or company support, such as business development centres, techno-parks, technology development centres and expos, trade centres, exhibition halls, laboratories, and ateliers, which are open to common access of companies without announcing any project proposal offer. Local administrations and local administrative unions, universities, occupational academies, research institutes, other public organizations and institutions, occupational organizations with public institution status, organized industrial regions, industrial regions, small industrial sites, and non-governmental organizations can apply to agencies. The main difference of administrated project support from other financial incentive methods is that the process/project is started with the leadership of the agency. Considering this type of activity of agencies in 2011, the completed projects are the Samsun Expo and Congress Center by the OKA Development Agency, the Konya Regional Innovation Center and Karaman Business Development Center by the MEVLANA Development Agency, and the rearrangement of the Malatya Traditional and Cultural Arts Expo and Exhibition Center as a regional tourism destination by the FIRAT Development Agency. Considering the 2011 activities, those were the activities for which there was a need for knowledge and financial support of agencies regarding the budget and organization size (General Activity Report of Development Agencies, 2011: 78–79).

To attract investors to the region, through investment support offices established in the cities of the region, development agencies conduct activities such as researching investment opportunities, preparing feasibility reports and data documents, providing investment support counselling services, arranging investment tours, meeting investors through participation in national and international expos and organizations, providing information about the potential investment areas in their region, establishing investment cooperations between domestic and foreign companies, producing guides containing information about the incentives and support given by the state to entrepreneurs and investors, and arranging training programmes for entrepreneur candidates. To attract investors to the region and to follow the transactions from one centre, the investment support offices (ISOs) established in many cities in 2010 and 2011 have conducted many investment-supporting activities (General Activity Report of Development Agencies, 2011: 82–85).
6. A Comparison of the Country Examples of Turkey and Romania within the Scope of the European Union

The European Union needed to design its Regional Policy to minimize the socio-economic differences between member countries and the imbalances between regions of countries and to maintain the socio-economic integration and harmonization. Within the scope of economic and political integration, the EU has established some common policies since its establishment. The EU Regional Policy is a common policy that has reached the agenda of the Union to eliminate the interregional imbalances and expand the development after the 1975 Roma Agreement (Republic of Turkey Ministry of EU Affairs, 2015). After the EU started to provide large amounts of funds for regional development based on competition, especially after the 1990s, the number and efficiency of RDAs increased significantly in EU countries. New regional development agency models were established through central governments’ attempts to profit efficiently and productively from the EU regional funds, and they were funded by public funding. Hungary, the Czech Republic, Slovakia, Poland, Estonia, Lithuania, and Latvia, which became members of the EU later, introduced RDAs in the 1990s in response to the direct request from the EU, and the RDAs of Eastern Europe were established by specialists assigned directly by the EU and EU funding in the first phase (Özen, 2005: 2). Following the last expansion, the EU contains 27 countries, 271 regions, and a total population of 493 million, the interregional differences have increased more, and the regional policies have come to the fore through this expansion process. Furthermore, three-quarters of the EU regulations have been implemented at the local and regional levels. The targets of the new Regional Policy of the EU for the 2007–2013 period are given below. The total amount of money allocated by the EU to targeted EU regions for this period is 347 billion euros, and it consists of various funds (Republic of Turkey Ministry of EU Affairs, 2015).

Target 1: Adaptation

The amount of funds allocated to 84 regions and 154 million members of the population with under 75% of the average GDP of the EU is 282.8 billion euros; 16 regions and 16.4 million of the population are slightly above the limit (phasing out).

Target 2: Regional Competitiveness and Employment

The fund allocated to 168 regions and 314 million members of the population is 55 billion euros; the 13 regions (phasing in) that have been in the Target 1 region and now are in the Target 2 region contain 19 million members of the population.

Target 3: European Regional Cooperation

For 181.7 million members of the population, in 13 border and transnational regions, the amount of funds is 8.7 billion euros (Republic of Turkey Ministry of EU Affairs, 2015).

In the 1999 Progress Report of Turkey, Turkey was shown to have the most serious regional problems among all of the candidate countries. Unlike the other candidate countries, Turkey has conducted a regional policy for many years. However, that policy was implemented within a central planning system, which is why the regional dimension is not considered to be enough in the priorities of public investment budget. From the 1999 Progress Report, we understand that the EU requested the improvement of the GDP per capita and the maintenance of justice, the consideration of prepared regional budgets, the prevention of emigration, and measures regarding the excessively crowded population from Turkey (The EU TURKEY Regular Report 13/10/99).

While the EU has some expectations from Turkey, Turkey also has some expectations from the EU concerning its participation in the Union. Because of both the low GDP per capita in Turkey and the large interregional differences, Turkey expects to profit from the structural funds and adaptation funds in the long term. In greater detail, through possible membership, Turkey would have the chance to profit from support within the context of Target 1, while the whole of Turkey would have the right to profit from adaptation funds. Again through possible membership, Turkey plans to profit from the Phare, Ispa, and Sapard programmes (Özyücel, 2008: 83).
However, Romania, as an EU member, has advantages in proportion to Turkey regarding profiting from funds. In Romania, there are eight regions and agencies according to NUTS 2. The agencies are the organizations acting on behalf of the public that gained legal identities as non-profit foundations. They conduct their activities in parallel with the Regional Operational Programme. The RDA operates under its own budget, whereas incomes are represented by contributions from county councils, regional projects, and technical assistance, and the expenditures are represented by investments, personnel, services, and administrative and regional projects. In terms of the number of personnel, the average value among all the RDAs is around 100 persons for both the management and the execution level.

One of the best sentences summarizing the situation of Romania, as a new member of the Union, is in Radu Şerban’s (2010) book *European economic integration* as follows:

Romania can do more that can benefit the EU. By avoiding the mistakes of a pre-1989 centralized economy, by avoiding the utopia of a ‘five-year plan in 4 1/2 years’, we can contribute more realistically and effectively to the EU.

The regional development agencies are the global model tools of development plans that have started to be used in a bottom-up manner. The competition-based policies in globalization progress reveal the need for regional construction within the scope of the polarization principle, creating regional competition and development policies to provide improvement and to avoid worsening the existing status of disadvantaged EU regions in terms of economic development.

Considering the EU as an integration and union project, it is necessary to define the regions with lower income levels as underdeveloped EU regions rather than as member country regions and to establish stronger Union regions for a stronger Union.

In this context, Romania, a member country, and Turkey, a prolonged candidate country, need more support and help in regional development. It should be noted that many of the Union’s member countries have reached their current status through the Union’s funds.

7. Conclusions

With the globalization process, the number of approaches advocating that the region becomes the basic point of economic development has increased. According to those views, the duty of regional development agencies became to direct the centralist plans by moving beyond boosting the economy at the regional level and organizing and improving it. Centralist governments have actively used the independent regional development policy implementations developed in the regional base for determining the basic obstructions facing the potential and development of regions because they are easier and more rational and because they create more successful results.

The regional development agencies in Romania and Turkey were established as a result of the policies implemented in the EU axis. Romania, as a member of the Union, has indicators that can be used to evaluate the economic efficiency of development agencies at the NUTS 2 level. From this aspect, it is apparent that the GDPPC has shown an increase in the regions, but it is still below the average of the EU. Of course, the increases in the GDPPC cannot be considered as a success only of RDAs. However, it is obvious that the agencies have made positive contributions to this increase. In Turkey, there is no GDPPC value containing continuous and long-term data at the NUTS 2 level. Considering the city base, a similar result to that of Romania arises, and the increase can be observed in the GDPPC values despite the crisis. To determine how much of the success is due only to the agencies requires a more detailed study.

Finally, the RDAs are being used as both the determiners and the executors of policies for developing the problematic regions both in Romania and in Turkey. Turkey established RDAs long after Romania did, which is why the activities of the agencies in Turkey are very new. Although the history of agencies extends only to 2006, they have become popular through their support activities and are accepted as policy determiners and executers. The regional development strategies, plans, and programmes in Romania are the responsibility of the agencies within the scope of the regional operation programme.
In this study, the general contributions of the agencies in the economies of both of these countries have been evaluated by studying their structures and activities. We did not aim to determine the success levels of the agencies by comparing their successes and their effects on the economies. However, the reader can make inferences from the information provided in the article.

References


