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# Study on the Development Strategy of Mihai Viteazu Township

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#### Abstract

The purpose of this paper is to prepare an analysis of the objectives proposed in the 2014-2020 development strategy of Mihai Viteazu Township, using the SOWT model.

The intended effects are to improve the quality of life of the inhabitants of Mihai Viteazu Township, so the best alternatives are in the short term to increase the financing rate of the works in progress and to prepare major medium- and long-term infrastructure projects in energy, communications, agriculture, health, sports and education meant to have a special impact on local development.

Tourism, too, is a viable alternative with great resources and can be a sustainable industry. Support for this branch by European rural development programmes can lead to additional revenue for farms located in high potential areas.

The programmes that Mihai Viteazu supported for the business environment in the tourism and tourism sector consist of granting fiscal facilities and exemptions from taxes and duties.

Keywords: rural development, analysis, investment, tourism.

#### JEL Classification: Z3

#### **1. Introduction**

The purpose of this study is to carry out a SOWT analysis for Mihai Viteazu Township under its many facets, focusing on rural development concepts in terms of sustainability and multi-functionality. In this context, we note that Romania is currently implementing the European model of sustainable agriculture and rural development and tourism development strategies.

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At the level of Cluj County, an action plan has been established as a priority approach for the 2014-2020 programming period, developing and updating development strategies.

Strategy is to maximize the chances of Mihai Viteazu and the members of the community to obtain non-reimbursable funds for the economic and social development of the community.

In the light of the need for economic, social, administrative and common infrastructure development, Mihai Viteazu has carried out this strategic development plan. The local development strategy of Mihai Viteazu Township for the 2014-2020 period was carried out through the involvement of stakeholders at the level of the township.

The Township of Mihai Viteazu is part of the Land of Transylvania, a region situated in the south-eastern part of Cluj County, at the western border of the Transylvanian Plain, mostly Turda – Câmpia Turzii Depression, formed by the middle and lower course of Arieş River. With an area of 47.53 km<sup>2</sup> and 4,753 ha, of which 1,129 ha (Mihai Viteazu 880 ha, Cheia 114 ha, Corneşti 135 ha). The village of Mihai Viteazu is located along the national road #75 Turda – Camceni, 6 km from Turda.

### 2. Problem Statement

Sustainable development is also important for future generations. We cannot just consume, we must leave something behind for those who will be in rural areas (Fistung, 2015, Toth et al., 2016). Agriculture and tourism activities rely on experienced people who are able to devote themselves to the benefit of the community (Qiu, et al., 2019).

Sustainability is the quality of an activity to be carried out without exhausting the resources available and without destroying the environment, so without compromising the possibilities of meeting the needs of future generations (Burja and Burja, 2013, Tiscus et al., 2016, Hăbac-Cotoar-Zamfir Al., 2019).

The concept involves striking a balance between economic growth and environmental protection and finding alternative resources (Frione and Frione, 2015, Xu et al., 2019). So, in rural areas, an attempt will be made to introduce environmentally friendly alternative energy, to reduce the amount of waste produced, and to organize environmental actions, to develop the community and to develop green activities such as tourism and agriculture, forestry (Clifford and D'Alessandro, 2019; Guaita Martinez, et al., 2019, Erbauch et al., 2019).

Romania, together with 192 other countries, has committed to setting the national framework to support the 2030 Agenda for Sustainable Development, which includes a set of 17 Sustainable Development Goals and Action Agenda at the Addis Ababa. The global action plan, which Romania chooses to support in the coming years, is aimed at improving poverty, tackling inequalities, social injustice and protecting the planet by 2030. It is an action plan for people, the planet and prosperity aimed at strengthening a safe and secure environment. The economy, society and the environment are the main co-ordinates for sustainable development.

In line with these aims, we have analysed the implementation of the 2014-2020 development strategy of Mihai Viteazu Township.

Around 200 economic operators are registered in the area of Mihai Viteazu Township, in various fields such as trade, construction, agriculture, services, industry. Most companies registered on the administrative territory of the township are operating in the field of services and trade, but the main activity of the inhabitants of Mihai Viteazu Township is agriculture.

Given the number of people and their distribution by villages belonging to Mihai Viteazu Township, it can be seen that Mihai Viteazu Village has the highest share in the stable population, with a 76% share, Corneşti Village 14%, Cheia Village 10%. According to the data taken from the Agricultural register of Mihai Viteazu Township, in the locality there are a total of 2,534 agricultural households with 1,897 entries in Mihai Viteazu, 355 in Corneşti, 282 in Cheia.

The development of the basic infrastructure was the first strategic objective of the Township of Mihai Viteazu. The following measures have been taken to achieve this: the rehabilitation and development of local and adjacent roads. In the 2014-2016 period, most roads in Mihai Viteazu Village were paved, with investments amounting to over RON 2,088,016. Between 2014 and 2017, in Mihai Viteazu Township, the main street was arranged with concrete tiles on a surface of 8,687.35 square meters. Also, in 2014, through an investment project worth RON 585,000, the roadsides of all three villages that belong to the construction of 5,602.70 square meters of pavement and concrete tiles and 66 linear metres of concrete rigid sheets were arranged. Provision is made for a sewerage network on all streets of the locality, carried out by the rural infrastructure development programme, set up by the Ordinance no. 7 of 2006. The rehabilitation of the drinking water supply system in Cheia Township, Mihai Viteazu Township, Cluj County was another objective. The measure of modernization and expansion of the public lighting network was achieved through the implementation of a public lighting project worth RON 1,363,700 for led lamps rehabilitation.

The second objective was to increase the tourist potential of the Township of Mihai Viteazu. The Europe for Citizens programme was inaugurated: The Community programme undertaken by the European Commission's Directorate-General for Migration and Home Affairs, which aims to promote active European citizenship by involving civil society in building a united Europe based on historical values and recap a common past, deepening intercultural dialog and concepts such as tolerance, solidarity, democracy, equal opportunities and mutual understanding.

Municipal support and promotion, the promotion of the township (website, local presentation brochure, leaflets with the opportunities of the township) were objectives worth RON 9,920.

The sustainability of the Mihai Viteazu Township has been achieved through the following measures: integration of local producers in the agri-food chain, development and rehabilitation of green areas in the locality. A sorting station, consisting of administrative building and sorting hall, equipped with baling machines, of selected waste, on a public property made available by Mihai Viteazu Municipality and the improvement of the quality of life in Mihai Viteazu Township was achieved through the following actions: Modernization and renovation of Mihai Viteazu joint dispensary, modernization of the stadium and the village park.

The kindergarten from Mihai Viteazu Township has been renovated. According to the project implemented, it includes 8 classrooms, a gym, a sports hall, a table room, documentation and information centre, office, a kitchen and several bathrooms.

### **3. Research Questions**

According to the study conducted in the form of a questionnaire, in the following we will detail the following questions:

How was the rural development strategy of Mihai Viteazu Township implemented?

The first development strategy of Mihai Viteazu Township was carried out in 2014, through alternative efforts and consultation of the representatives of the institutions, the business community, governmental organizations, the citizens of the township, in a process coordinated by a team of consultants and specialists of the City Hall. Mihai-Viteazu is now and in the future based on a comprehensive study, approved by the Decision of the Local Council no. 266/20.07.2014, a document which gives concrete expression to sectoral strategies and policies and the projects resulting from them, being financed from any relevant sources such as local, national, European, international.

How much money has been allocated to increase the sustainability of the rural area in Mihai Viteazu?

Following the study carried out for 2014-2020, Mihai Viteazu Township prepared feasibility studies for the restoration and modernization of infrastructure, agriculture, health, sports and education worth RON 17,766,182.

Who were the beneficiaries of each project carried out to improve the quality of life in Mihai Viteazu Township?

At the same time, Mihai Viteazu aims to identify and develop project ideas with multisectoral and regional impact, operationalized based on identified needs. These portfolio ideas will be proposed to the local institutions receiving 5 financial resources for development projects.

The last question asked is: What are the perspectives for development in Mihai Viteazu Township?

Accessing projects with non-reimbursable funds from the European Union;

Supporting cultural and sporting activities for young people and citizens of township;

Residential construction for young people through the ANL;

Improving educational infrastructure through the modernization of all school premises and kindergartens in the township;

Setting up a home and social centre for the elderly.

## 4. Research Methods

Following the deployment and analysis of individuals, the main strategic issues and the broad lines of development have been identified. On this basis, this development strategy sets out the main general objectives for the period 2014 to 2020. They shall aim at:

- Building awareness and skills development for the local population,
- Improving the quality of life of the inhabitants,
- Ensuring the economic sustainability of the township,
- Enhancing natural and cultural heritage,
- Building basic infrastructure;

The general objectives listed above have been divided into specific objectives and project ideas.

In this regard, we inform you that we performed the on-site documentation, collected information from Mihai Viteazu Township and analysed the strategy implemented by the regional Ministry of Development and investigated statistical data from the National Institute of Statistics (data on local community, economy, agriculture).

From a strategic point of view, the data taken provide an important starting point in supporting important strategic steps, carried out by Mihai Viteazu Township, thus preparing future projects. In practical terms, the adequacy of the research methodology and quality of life concerns related to the regional context can provide useful solutions for a better absorption of European funds and for their allocation in priority areas of the township.

## 5. Findings

How was the rural development strategy implemented by Mihai Viteazu?

It has been phased out and focused on 3 strategic objectives: developing basic infrastructure, harnessing the potential of tourism, ensuring sustainability and improving the quality of life of local residents.

How much money has been earmarked to increase the sustainability of Mihai Viteazu rural area?

Investments over RON 2,088,016 to modernize the infrastructure. Public lighting rehabilitation with led lamps worth RON 1,363,700. The municipal support and promotion, the promotion of the township (website, local presentation brochure, leaflets with the opportunities of the township), worth RON 9,920.

Construction of an all-day kindergarten, a project worth RON 2,457,000.

The development and modernization of the sports infrastructure through the modernization of the stadium was RON 1,119,978.11.

The construction of a clinic is a project worth RON 700,000.

The rehabilitation of the drinking water supply system in Cheia Township, Mihai Viteazu Towshnip, Cluj County has an allocated budget of RON 8,755,910.

The total amount of investment for the development and joint sustainability of Mihai Viteazu Township was RON 16,494,524.11.

Who were the beneficiaries of each project carried out to improve the quality of life in Mihai Viteazu Township?

The beneficiaries were the residents of Mihai Viteazu Township, tourists, local organizations and public administration.

What are the prospects for development in Mihai Viteazu Township?

Better life and higher living standards, decent conditions for health and education, strategies that make people develop local businesses (agriculture and tourism).

#### SWOT analysis of the development programme for Mihai Viteazu Township

The SWOT analysis requires development scenarios that are the result of a balancing of all possible alternatives, at different scales of approach and territorial entities with varying degrees of homogeneity. The acronym has its origin in the English caps for strengths, weaknesses, opportunities, and threats.

The comparative analysis is used to highlight the characteristics of concepts analysed and are based on a comparison of the results of rural policy measures, methods of management and the comparison of the overall results of rural resource exploitation systems.

The SWOT analysis method is an important method of strategic management. From the point of view of the rural economy, the SWOT analysis provides a complete picture of the rural area by studying at the same time its internal characteristics and external influences, considering both positive and negative variables.

The strengths worth mentioning are: drinking water distribution network throughout the township area; road network; all-day kindergarten; sports hall and sports field; clinic and medicines; dentistry office; coexistence of several nationalities, cultural, linguistic and religious interference with a wide variety of traditions and customs; human resources with varied qualifications; old traditions in the processing of some local resources; special tourist potential due to the cultural heritage and architecture; existence of programmes to support investments in the field of environmental protection and rehabilitation of the drinking water systems, sewage, water treatment and waste management; modernization of telecommunications equipment and extension of landline and mobile telephone network.

Weaknesses: poor capitalization of businesses, especially SMEs production plants; insufficient tourism promotion; insufficient staff qualified to provide the quality tourism jobs; absence of railway; transport infrastructure, telecommunications and equipment with inadequate technique in certain areas; increased unemployment rate, due to restructuring; poor capitalization of businesses, especially SMEs production plants; reduced foreign capital investments in the local economy; insufficient tourism promotion; lack of a tourism concept that makes it possible to promote a unitary product in the country and abroad; poor quality of services and information tourism; low interest and entrepreneurial spirit of the rural population for tourism activities; lack of interest for tourism as potential for business and for the creation of new jobs; insufficient staff qualified to provide quality tourism jobs.

Regarding Opportunities and Threats, we can present what we discover after a deep analysis of the 2014-2020 rural development strategy in Mihai Viteazu Township.

Firstly, the Opportunities are as follow: location in an environmentally developed region with a tourism value potential; development of tourism by creating a network; enhancement of historical sites and monuments national heritage; increased interest in international tourism; development of complex tourist products; the available workforce that can be attracted to the system of tourist services and accommodation units not used at full capacity; harnessing human potential, preserving traditions, cultural and urban customs in order to transform the locality in a powerful tourist centre; creation of regional national funds to support regional and local development; national and regional programmes for mitigating and preventing pollution; improvement of the environmental law; internalization of environmental protection costs; introducing the obligation of EMS (Environmental Management Systems); The natural and urban heritage represents a basis of departure for the diversification of international tourism.

Secondly, the Threats are as follow: migration of young residents to other areas in the country and abroad; legislative instability, high taxation makes small entrepreneurship difficult; insufficient support for the SME sector (lack of facilities); inability to cope with competition from localities in the area or in the region in terms of attracting investment and economic development; high probability of unpredictable natural phenomena, floods, landslides, massive snow falls; danger of flora and fauna degradation in protected areas as a result of uncontrolled tourism; danger of degradation of valuable buildings in case that their protection and maintenance is not ensured; low payment capacity of consumers for the services offered; additional expenses to combat the effects of natural calamities; insufficient support for tourism development, in particular in rural areas; poor involvement and understanding by public authorities for the proper exploitation of the environment and a of the territory, for the benefit of tourism development.

### 6. Conclusions

In conclusion, Mihai Viteazu is today a modern rural settlement, which has the necessary facilities and provides the over 5,700 inhabitants with conditions for a decent material and spiritual life. It has been successful in promoting sustainable

employment and supporting labour mobility, promoting social inclusion, combating poverty and discrimination. Investment in education, training and vocational training for skills and lifelong learning, improving access, use and quality of information and communication technologies, strengthening the institutional capacity of public authorities and stakeholders for efficient public administration has been carried out.

The implementation of the strategy will take place in stages that will be organised according to the resources available at that time and local priorities. The validation of the strategy is achieved through the participation of citizens in the administrative decisions, this having a continuous character. The community will develop during the implementation of the strategy through exchanges of experience with European institutions and through special input.

Following the strategic elaboration process, fundamental practical points must be retained in order to restore and maintain a rational balance, in the long run, between the economic development and the integrity of the natural environment of the township:

- Mihai Viteazu Township meets all conditions for raising the standard of living of the community, which is possible only through the recovery and development of the economy;
- Socio-economic development by encouraging and supporting local businesses, initiating actions to protect and preserve the environment, will have positive effects;
- European rural development programmes are viable alternatives, with a special impact on local development;
- Guaranteeing the access to infrastructure (water, gas distribution) of the popup and of the economic consumers, but also the optimization and development of the transport, telecommunications and energy infrastructure;
- Ensuring the quality of educational services by rehabilitating the educational infrastructure (promoting learning, preventing school dropout, increasing the quality of teaching);
- Tourism in the Romanian rural area is a viable alternative, with a special impact on local development and is supported by European rural development programmes.

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