



FUTURAL

Empowering the **FUT**ure through innovative Smart
Solutions for **rURAL** areas

Policies and governance mechanisms for community-led
innovation in rural Romania

Lead Author: Carla Lostrangio (AEIDL), Serafin-Pazos Vidal (AEIDL)



Co-funded by
the European Union

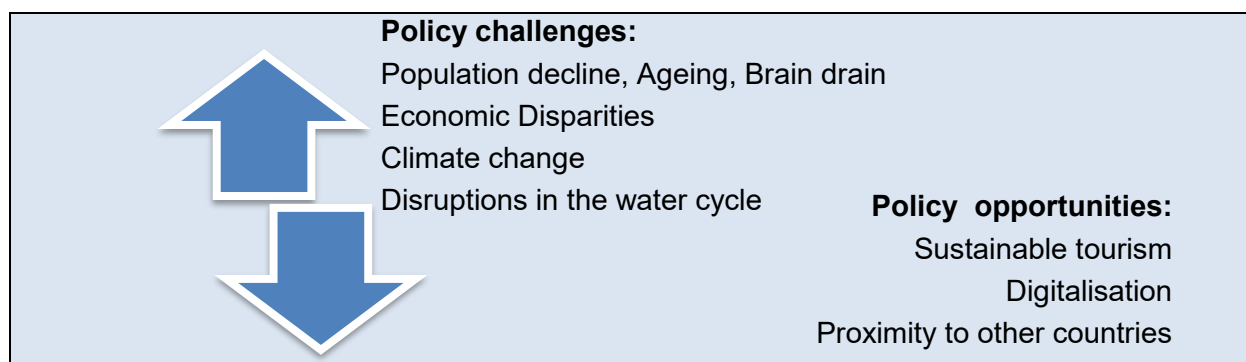
FUTURAL Case Study in Romania

The **FUTURAL Pilot** is situated in **Birda**, a municipality in the southwestern side of Romania consisting of three villages. **Agriculture** is the strongest pillar of the region. Furthermore, the **proximity to urban areas** such as Timisoara (40 km) and Gataia (11 km) makes it an attractive centre for living.

This Pilot area must deal with some policy challenges linked to **population decline** (including ageing and brain drain), **economic disparities**, and the **impacts of climate change**. In FUTURAL, two community-led innovations are being piloted to address these challenges in Birda:

- An **online platform for delivery of hydrogeological models** to address water-related challenges and implement flood and drought adaptation strategies.
- An **online platform delivering open course** delivering educational materials tailored to the needs of rural communities and promoting continuous learning.

Public policies could unlock transition of these regions by unlocking the opportunities provided by **sustainable tourism**, **digitalisation** and **geographical proximity with other countries**.



Rural areas and innovation in Romania

In Romania, rural land surface equals to **more than 85% of the country surface** but it hosts **around 40%** of the country population (Rural Observatory, 2021). The country is considered a **emerging innovator**, with an above EU-average level of broadband penetration but very insufficient digital skills and below EU-average internet take up.

Table 1 Rural Areas in Romania. Source: FUTURAL Policy Analysis (2025)

	Rural Population	Rural Surface (Close to City)	Rural Surface (Remote)	Rural Surface (Total)
Romania	41.8%	39.8%	45.4%	85.3%
EU27	25.8%	34.2%	41.5%	75.7%

Table 2 Digital Economy and Society Index (DESI) in Romania. Source: FUTURAL Policy Analysis (2025)

	DESI Index			
	Broadband penetration	Basic digital skills	Above basic digital skills	Internet take up
Romania	144.4	27.7%	8.9%	92 %
EU27	122	55.6%	27.3%	93.1%

Governance framework for enhanced community-led rural innovation

Romania is a semi-presidential republic with a **three-tier administrative system** comprising the national (state), regional, and local levels. At the local level, the country is divided into 2,862 communes, 216 towns, and 103 municipalities (cities). These are the core units of local governance and public administration.

At the regional level, Romania is subdivided into **eight development regions**, corresponding to NUTS 2 regions under the EU's Nomenclature of Territorial Units for Statistics. However these regions are not administrative territorial units. This means that these regions have *no legal status*. Instead, they serve as statistical and planning units used primarily for implementing EU Cohesion Policy and accessing structural and investment funds.

The **Regional Development Councils** and **Regional Development Agencies** (RDAs) play a central role in managing regional development policy and coordinating EU programmes within these NUTS 2 regions. They act as de facto managing authorities but do not govern in the traditional administrative sense.

It is also noteworthy that the structure of Romanian local government does not align directly with the EU's system of **Local Administrative Units** (LAU). Romania has opted not to map its communes, towns, and municipalities directly onto the LAU 1 and LAU 2 levels used by Eurostat and other EU institutions. This misalignment can lead to inconsistencies in statistical reporting, policy benchmarking, and fund allocation comparisons across member states, and data harmonisation at EU level.

Table 3 Institutional and Administrative Frameworks in Romania. Source: FUTURAL Policy Analysis (2025)

Institutional and Administrative Framework	
Institutional Framework	Centralised state
EU Entrance	2007
Administrative Levels	3 Levels (State, counties, municipalities- towns - communes)
Power distribution across Levels	Regions have substantial autonomy in rural development
Competence Level on Relevant Policy Areas	
CAP, Rural Development (incl. LEADER)	State
Regional Development (incl. CLLD)	State, Counties
Digital Policies	State
Social Policy/ Social Innovation	Counties, Municipalities

Local Government	
No. Local Units	2862 communes, 216 towns, 103 municipalities
Local Government Competences	Housing, town planning; environmental management, waste management; local transport; water & electricity; public health; education; cultural heritage; public order emergency; public/green areas management.
Local Government Autonomy Index	Low

Policy framework for enhanced community-led rural innovation

In Romania, both the **CAP and Cohesion Policy** can be used to support community-led innovations. In the national CAP Strategic Plan, the **LEADER programme** covers more than 85% of the country's rural population, with an allocated budget equivalent to 8% of the EAFRD funds (hence above the minimum earmarking of 5%). Over the 2021-2027 period, Romania included targeted interventions to finance **Smart Villages** throughout LEADER. However, no specific budget or result indicators are associated with Smart Villages.

Under **Cohesion Policy**, rural innovation is targeted through Integrated Territorial Investments or more widely it's possible to be planned within measures related to innovation and green development. Digitalisation and business innovation are emphasized. **At national level**, there are no national policies tailored specifically to community-led rural innovation, but opportunities to target community initiatives can more broadly included in sectoral policies (e.g. on digital innovation, rural development or social policies).

Table 4 Policy framework for community-led rural innovation (Romania). Source: FUTURAL Policy Analysis (2025)

Common Agricultural Policy- National Strategic Plan (2021-2027 period)	
<i>LEADER</i>	<ul style="list-style-type: none"> •Population Coverage: 85.59% of rural population, 8.9 mln people •Local Development Strategies: 255 •Preparatory Actions/projects: 0 •Budget: € 424.75 mln (8% of EAFRD)
<i>Smart Villages</i>	<ul style="list-style-type: none"> •Dedicated interventions <ul style="list-style-type: none"> ◦LEADER - Community-led local development (DR-36, COOP) •Other interventions: N/A •R40. Smart transition of the rural economy: Smart Villages strategies projects – N/A •Budget: Programmed but no budgeted
<i>Selected Indicators</i>	<ul style="list-style-type: none"> •R1: 65,749 people benefitting from advice, training, knowledge exchange or participating in EIP Operational Groups

<i>(PMEF result and outputs indicators)</i>	<ul style="list-style-type: none"> •R3: 0.03% Farms support for digital agricultural technology •R39: 986 Rural business developed (incl. bioeconomy) •O1: 71 EIP operational group projects •O23: n/a Supported off-farm non-productive investment operations or units •O24: 527 Supported off-farm productive investment operations or units •O27: n/a Rural businesses receiving support for start-up
Cohesion Policy (2021-2027 period)	
<i>CLLD</i>	Social Inclusion and Dignity OP foresees community centres in rural areas and measures to social integration needs in rural communities via Local Development Strategies , support to social economy in rural areas. Specific measures depending on regional OPs ¹
<i>National ERDF Operational Programme</i>	Increasing capacity of actors in water and wastewater sector (Sustainable Development OP, SO2.5), Integrated Territorial Investments for rural and mountain areas focusing on preventive care and school health care services (Health OP, SO1.1, SO4.5), (Smart Growth OP), startups hub and innovation aid to SMEs, support to digital innovation hubs and digitalization of economic sectors including to engage with communities (Smart Growth OP). In some regional OPs, references to rural innovation in Policy Objectives related to innovation and greener investments are available but not targeted value nor measures are foreseen.
Other Relevant National Policies	
<i>Digital and Innovation</i>	Smart Specialisation - National Competitiveness Strategy 2021-2027
<i>Social Policies</i>	National strategy regarding social inclusion and poverty reduction for the period 2022—2027 - Social Economy Law no. 219/2015
<i>Rural, Local Development</i>	Law No. 156/2020 - National Local Development Program

Disclaimer & Copyrights

Funded by the European Union. Views and opinions expressed are however those of the author(s) only and do not necessarily reflect those of the European Union or European Research Executive Agency. Neither the European Union nor the granting authority can be held responsible for them. This fact sheet is based on the results of [FUTURAL policy analysis](#) (Lostrangio & Pazos-Vidal, 2025). This document contains unpublished original work unless clearly stated otherwise. Previously published material and the work of others has been acknowledged by appropriate citation or quotation, or both. Reproduction is authorised provided the source is acknowledged.

¹ For instance, network of rural-urban localities to boost ICT-based cultural heritage (Bucharest OP, SO5.2).; or the establishment of digital communities and SMEs for a smart region; valorisation of UNESCO cultural heritage sites via innovative practices including social innovation (Centru OP).