

START UP INFORMATION

City/Partnership	Alba Iulia
Contact	(name-institution-mail)
Project	Name of the project-action to be developed

Cooperation Thematic Area	Concrete Challenge Faced

SHORT SUMMARY OF THE CITY'S CONTEXT



- **General presentation**

Alba Iulia is a 74000-inhabitant city located in Transylvania, at the center of Romania. More than 700 employees work for the Municipality. Alba Iulia is an emergent European tourist destination, due to its impressive 2000-year historic and cultural heritage. It is the symbol city of Romanian unity (in 1918, the unification of Romanian provinces took place here) and it is marketing itself as “The Other Capital”. Alba Iulia was the first Romanian city to draft a city brand manual adhering to international standards. Its branding strategy focuses on the main identity element of Alba Iulia: Alba Carolina Citadel, an 18th century citadel built by the Austrian Empire, which was recently rehabilitated with funds offered by the EU, the Romanian government, the Kingdom of Norway, the Japanese government and the United Nations.

Alba Iulia has the highest EU fund absorption rate per capita in Romania - 150 million euros were attracted to the city in the last 10 years. It is also the first city in Romania to receive a rating from Moody's (in 2015, Ba1 with positive outlook) and the only Romanian city to have had a technical assistance agreement with the World Bank. Alba Iulia has also been mentioned in publications such as Forbes, Washington Post or Corriere della Sera, as a best practice example in the field of cultural tourism and city branding strategies.

- **Economy**

The economic background of Alba Iulia is typical of the post-communist transition from a planned economy to market capitalism, with 97% of all companies privately owned. Heavy industry was replaced by new economic agents - local businesses and foreign investors. The local economy is service-oriented (with a large number of family-owned small businesses) with significant representation of light industry (mainly dominated by foreign investments).

One of the most important growth sectors in Alba Iulia is tourism and hospitality. The number of tourists who use accommodation in the city has increased by 33% between 2014 and 2015 and by 250% since 2011. The secondary sector in Alba Iulia mainly comprises food industries, wood processing, light manufacturing and fine ceramics. Some companies in those sectors have been traditionally based in the city and benefit from a specialized workforce. The industrial area of Alba Iulia occupies 14% of the city territory.

At county level, there are 18 companies with a turnover higher than 20 million euros/year but out of 4223 economic agents in 2013 just over 1500 had a turnover of more than 25.000 euros/year. In spite of constant economic growth during the last three years the number of economic agents has been in decline since the financial crisis. This shows a quite difficult context for local entrepreneurs. There is growth potential in the automotive industry and in wood processing as Alba County is one of the most important wood providers in Romania and 33.1% of the county territory is covered by forests.

On an economic and financial level, Alba Iulia Municipality is the local public administration which achieved for the city the highest absorption of European and other non-reimbursable funds per capita in Romania - more than 150 million euros were invested in development projects in the last 10 years (considering that the local budget dedicated to investments is just about 2,5 million euros per year). The funds were attracted from various sources: European transnational and especially operative programs; the World Bank, the United Nations Development Program (UNDP), the Embassy of Japan, the Kingdom of Norway, funds from the Romanian government etc.

Our development projects on the medium and long term were prioritized through a methodology created for our town by World Bank experts - Alba Iulia is the only city in Romania to have signed an agreement with the World Bank in order to receive technical assistance. This fact ensures that our investment policy is soundly tuned in to a feasible and credible strategy for the sustainable development of the city.

Moreover, our Municipality has been the most important "investor" and jobs generator for the local economy, especially during the financial crisis.

Alba Iulia was the first city in Romania to issue 20-year maturity bonds in national currency.

Alba Iulia is also the only city in Romania to have received a rating from the international rating agency Moody's. In December 2015, the Ba1 rating improved from stable to positive, placing Alba Iulia on the same range with Budapest. Gjorgji Josifov, analyst vice-president at Moody's, appreciated that "[this rating] is backed by the sound results of a prudent financial management, as they are reflected in the constant operational surpluses, in the good financial performances and in the existence of comfortable backup provisions."

- **Society**

The population census of 2011 showed that only 50.7% of the total population of Alba Iulia is economically active. Another 21.2% are retired persons, 14.3% students and 8.1% persons taken care of by their families (Fig. 1). The high percentage of retired persons is partly due

to a very common employee practice in the 1990s: retiring before the age limit in a context where large factories were going bankrupt.

The unemployment rate has dropped in Alba Iulia in the last few years (Fig. 2). By the end of 2016, the local unemployment rate was 6.7% but this is also due to the high number of persons working abroad. The main minorities in Alba Iulia are the Roma (1.76%) and the Hungarians (1.59%). Homelessness is an issue and it is addressed by a dedicated night shelter with 56 places. Drug abuse among young people is an emergent issue; however, no statistics on this subject are available yet. Single-parent families are also becoming more prevalent and various social centers offer support to single mothers and their children. However, no exact statistics exist on this matter. The school dropout rate for Alba County was 8.8% in 2015 for 6-14-years old - this problem is tackled in Alba Iulia by a network of centers belonging to the Romanian Orthodox Church.

- **Demography**

In the beginning of 2017, there were 74425 inhabitants in Alba Iulia, an increase of more than 10000 persons since 2011. The population density is 721 inhabitants/ km². The gender distribution is 906 men for 1000 women. Average life expectancy in 2016 was 76.08 years, while the birth rate was 8.13‰.

In terms of religious affiliation, 81.3% of the population is Christian Orthodox, 5.1% Catholic and 4.6% NeoProtestant. Given the high percentage of retired persons the total demographic dependency ratio is 35.11%. In comparison, the situation at national level is the following: 947 men for 1000 women; 74.96 years average life expectancy; 8,6‰ birth rate. Religious affiliation in Romania is 86,5% Christian Orthodox; 4,6% Catholics; 3,2% Protestants, 1,9% Neo-Protestants. Given the high percentage of retired persons the demographic dependency ratio in Romania is 47%.

- **Culture**

The Municipality is moreover a significant provider in the field of cultural life of the city. Its important budget allocations make possible, year after year, a credible agenda of cultural events (music concerts for classical, jazz, rock or folk styles; theatre, literature, film, music, fashion festivals; European-scale re-enactment shows; exhibitions; sports competitions and much more). The vibrant cultural life brings the Citadel to life and renders it to people of all ages, be they tourists or inhabitants. The Citadel thus became the largest open-air scene in Romania - the space for an urban, alternative and new-style culture, proving once again the ability of Alba Iulia Municipality to put in place innovative solutions to old and new challenges.

- **Environment**

There were 154 ha of green space in Alba Iulia, while the recent opening of an arboretum park added 22 more ha to that figure. This is an average of 20m² of green space/ inhabitant, while the target for 2020 is 26m²/ inhabitant. The 22ha arboretum has 1100 plant species and 5440m of bicycle lanes.

With regard to CO₂ emissions, Alba Iulia Municipality has a target in its Action Plan for Sustainable Energy to reduce CO₂ emissions by 24% by 2020, compared to 2008. At the present moment, the sources of CO₂ emissions are: electricity production (29% of emissions); natural gas consumption (50% of emissions); urban transportation (21%). Solar energy (with 1500 kwh/m²) and biomass (wood especially) have significant growth potential, unlike wind energy due to the low annual average speed of 3-4m/second.

Alba Iulia is a member in the Covenant of Mayors and has drafted an Action Plan for Sustainable Energy. Another important initiative that Alba Iulia is part of, in the Covenant of Mayors, is the Climate Partnership - a local platform for dialogue and action in the field of

climate change, which facilitates networking and provides access to dedicated funding opportunities.

- **Partnerships**

In the last few years our town has been engaged on a stable pathway leading to robust partnerships: either public - private ones, either public - public ones, either international ones.

One of the most recent and most important partnerships is the project "Alba Iulia Smart City 2018". The year 2018 is a significant one for the whole country and even more special for our town. In 1918, the Great Unification of the modern Romanian state happened after the First World War, and the official document of the Unification was signed in Alba Iulia. The Smart City project is just one of the investment projects envisioned for the town in the perspective of the 2018 Centenary. The project is a pilot one and was initiated by the Romanian government, Alba Iulia being for the moment the only city in the country to have been selected for this pilot. Smart City is envisioned as a process where large and small companies, representatives of the academic environment, IT&C associations, clusters, hubs and any other interested experts are invited to a dialogue which should lead to the development of smart solutions in all areas of public life for the citizens. About 30 companies expressed until now their interest in investing for the implementation of smart technology solutions in Alba Iulia (to name just a few: Siemens, Microsoft, Orange, Philips, Cluj IT Cluster, Powernet, Kaufland, Parking Plus, Oracle, EVconnect, Smart Access Box etc.) Cooperation protocols have already been signed with Orange and Microsoft. In the perspective of 2018, Alba Iulia will become the most intelligent and the most modern city in Romania: "The City Where The Future Was Born" (according to the slogan related to the Smart City project).

Other solid partnerships were developed by our Municipality with international-level organizations and personalities, opening the city to Europe and to the world. Jan Gehl, Danish world-known architect, introduced for the first time in Romania his concept of "cities for people" in a conference in Alba Iulia (March 2016) and then he issued a report with suggestions for the improvement of public spaces in the town. Ben Southhall, travel blogger and worldwide known as "the man with the best job in the world", is going to visit Alba Iulia in the next month (May 2017). Julian Stubbs, one of the most renowned city-branding experts in the world and brand manager of Stockholm, visited Alba Iulia in September 2016 and he gave his recommendations in the field of content inbound marketing dedicated to city brands. The small Transylvanian town was placed, once again, on the world map, along with large metropolises from all the continents.

One symbolic partnership, offering a networking opportunity as well, is the cooperation initiated by our Municipality between Alba Iulia - the symbolic capital of Romania - and the RePatriot network: RePatriot is a structure which aims to strengthen relationships with the Romanian diaspora worldwide. Their ultimate aim is to show Romanian emigrants, who left their country compelled by a wide range of reasons and emotions, that their home country is able to offer them a home again: that here they can find business opportunities, an improved environment offering wide-range openings, a more and more transparent administration, as well as less and less bureaucratic policies.

On a grass-root level, public-private partnerships have also been initiated by Alba Iulia Municipality in other areas of public life. Large national companies (but also small local ones) have been engaged in the last year in actions related to the corporate social responsibility: social centers dedicated to several categories of disadvantaged persons and youth associations were supported - either financially for precise identified needs, either via in kind contributions.

Additionally, public - public and public - private partnerships have been initiated by our Municipality in the field of youth and education. We act as an umbrella for youth initiatives at local level. While schools, students and teachers in Alba Iulia are generally interested in and open to international cooperation, they often lack the technical knowledge or experience needed for writing a successful project application and especially for implementing a project. As for youth organizations, their activities and administrative capacity are rather limited for the moment in Alba Iulia. In this context, the Municipality decided to act as a pioneer in this field and to get involved in transnational youth projects - since 2015, just for Erasmus+, we have implemented two KA2 strategic partnerships, one KA3 project and seven KA1 youth exchanges - with approximately 50 students and youth workers having taken part in international exchanges and more than 800 students from local schools having been involved in the testing and implementation of KA2 and KA3 projects.

Another fruitful local partnership of the Municipality is the one with the local university "1 Decembrie 1918", where professional sociologists create every year a local barometer: the initiative reached its 3rd edition in 2016 and it is a tool for diagnosing and evaluating the community support for the planned development projects. The members of Local Council, local companies, tourists and citizens of all ages are asked to share their view and satisfaction level on the life quality, on the local development and on the Municipality's future projects.

Third, when it comes to the smart valorizing of resources and of local context, the Municipality took advantage of the impressive historical heritage of Alba Iulia in order to develop anthropic and cultural tourism. Alba Iulia was the capital of Roman province Dacia, 2000 years ago; it was the capital of the first-time unified Romanian medieval states in 1600; the capital of Transylvanian princes during the 16th - 18th century and the place where European politics decisions were made; the Eastern European outpost of Austrian Habsburg monarchy against the Ottoman Empire; since 1918 up to present, Alba Iulia has come to represent, for Romanians living anywhere, the symbol of national unity and the historical capital of the country. The local administration was able to transform this unique opportunity into a trigger for the spectacular development of cultural and anthropic tourism. In this regard, the reference to Alba Carolina Citadel is a must. This 18th century Habsburg construction is the largest citadel in Romania and the central identity element of the city. Since 2009, more than 50 million euros were invested in it. The Citadel was subject to an ample process of functional reconversion; it was spectacularly rehabilitated and included in the national and international tourist circuits, having an overwhelming influence on the city's development: the number of Romanian and foreign tourists tripled in the last years, with all the logical and positive consequences on the HORECA industry and on the local economy. Thanks to the rehabilitated Citadel, Alba Iulia is now part of Transromanica route of the Council of Europe and in 2011 it received the EDEN distinction (European Destination of Excellence).

***CONCRETE CHALLENGE FACED DESCRIPTION**

Inclusive urban development: In Alba Iulia there are some marginalized urban areas (both areas with a majority of Roma people, and areas with non-Roma inhabitants). In these areas, we have:

- a higher unemployment rate than in the rest of the city
- precarious housing conditions
- a lower education level than the average, among the inhabitants
- a higher number of children per family than the average for the city
- a higher number of persons depending on social assistance/ state aid than the average for the city

Sustainable tourism: we have done already some important steps in this regard, with the rehabilitation of the Citadel Alba Carolina, but the remaining challenges are:

<ul style="list-style-type: none"> - to preserve and maintain the rehabilitation works which were done (ensure maintenance and regular current reparations) - to integrate Alba Iulia in a larger integrated network of tourist attractions on regional and national level - to include Alba Iulia in tourist circuits which are being offered by travel agencies for national tourism - to co-opt stakeholders (economic agents and travel companies) in the promotion of Alba Iulia as a tourist destination on regional, national and international level 	
<p>*MAIN STAKEHOLDERS INVOLVED DESCRIPTION</p> <p>For both challenges:</p> <ul style="list-style-type: none"> - companies (local and regional) - the local university - non governmental bodies (including NGOs, religious associations etc.) - other institutions in charge with social issues or with regional development - travel agencies 	
<p>Expectation of the cooperation activities (Please, explain what kind of activities the programme can support you)</p>	<p>Working meeting, site visits, workshops, seminars, etc.</p>
	<p>Joint participation in relevant thematic events. Clusters meeting</p>
	<p>Specific capacitation</p>
	<p>Webinars on concrete topics</p>
	<p>Cluster networks (Labs between cities)</p>
	<p>Business Roundtable discussions and joint activities</p>
<p>Suggested period for Site Visits</p>	<p>LAC site visit</p> <p>Initial proposal: August</p>
	<p>EU site visit</p> <p>Initial proposal: TBD</p>