



European Commission



# POVERTY AND SOCIAL EXCLUSION IN RURAL AREAS

Final Report

Annex I

## Country Studies

**STUDY ON  
POVERTY AND SOCIAL EXCLUSION  
IN RURAL AREAS**



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**ROMANIA**

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## Executive summary

The current Romania is, to a large extent, a *rural* state. 93.7% of the Romanian territory is rural and hosts 47% of the Romanian citizens. Although 40% of the labor force is employed in activities located in rural areas, the contribution of agriculture to the GDP amounts for only 13.4%.

The degree of rurality in Romania at county-level (NUTS 3) is as follows: predominantly rural regions (over 50% of the population living in rural communities): 27 counties out of the total of 42; significantly rural regions (15 to 50% of the population living in rural communities): 14 counties; predominantly urban regions (less than 15% of the population living in rural communities): 1 (Bucharest).

Rural population is much more endangered by poverty and social exclusion than urban inhabitants. Rural income per capita is lower with at least 22% than in the urban areas and this gap is increasing. The relative poverty risk in rural areas is more than double as compared to the one in urban areas (42% and 18%, respectively). Rural poor represent two thirds of the total poor population in Romania.

The rural poor include: 1. *Roma households*; 2. *Households with more than 3 children*; 3. *Self-employment and unemployment*; 4. *Low educated people*.

Main determinants for poverty and social exclusion in rural areas in Romania include:

- (a) age and education: In Romania households with a higher average age (fewer or no children) and those with better education are less often found in the lowest income quintile;
- (b) types of activities performed: Non-farm enterprise and migration labour are found to be positively associated with a higher risk of poverty. Such non-agricultural activities appear to be of a distress-push nature;
- (c) location: in broad lines, location does not have a statistically significant relation to the risk of poverty in Romania; nevertheless some location-incorporating factors have been identified - isolation from modernized roads; decline in population; former system of land ownership; the distinction between central and peripheral villages; the agro-touristic potential;
- (d) capital: In Romania's rural economy, characterized by high levels of subsistence food production, low levels of savings, and faltering financial markets, it could be argued that it is mainly the physical and human capital that determines income and poverty levels;
- (e) gender: Many women in rural areas do not have a stable and safe income source such as a wage or a pension. This makes (or could make) them dependent on the breadwinner of the family or on social security services. The level of women's income is lower than that of men for almost all income categories, because of their lower qualifications and lower occupational status;
- (f) ethnicity: Roma people do not own pieces of land and/or forest have extremely low possibilities to get employed in income generating activities. This happens especially because they do not comply with schooling and qualification criteria;
- (g) infrastructure, access and utilities: The current network of roads serves for only 3/5 of the population. Only half of the communes have direct access to the main network of roads. The poor quality of roads is often accompanied by the absence of specialized transport services, which seriously affects the access of rural population to education, healthcare services and to urban markets.

Although the share of remittances from migrant workers to Italy and Spain in the GDP of Romania has continuously increased, there are significant side-effects of this phenomenon - the unity of these families has decreased and educational performances of their children have dropped, also associated with an increasing rate of school abandoning. High rates of family disintegration, school leaving and juvenile crime are the worrying part of these local communities reality.

## 1. Overview

The current Romania is, to a large extent, a *rural* state. 93.7% of the Romanian territory is rural and hosts 47% of the Romanian citizens. Although 40% of the labor force is employed in activities located in rural areas, the contribution of agriculture to GDP amounts to only 13.4% (The Sociology Institute of the Romanian Academy, 2005).

Rural sociologists (Sisestean, Gh., 2001) claim that “the drawback of agriculture (is) an archaic model”, both from the point of view of endowments and the access to various markets, given the severe split up of land into small pieces of property that can not reach the break-even point. The communist regime left an unfortunate inheritance of vast mono-agricultural areas with a dilapidated infrastructure in many parts of the country and with many villages deprived of elementary prerequisites for a decent standard of living (potable water, electricity, etc.). In areas where there was previously less specialization, for example, in Transylvania, standards of living are better (Davis, J., Bezemer, D., Janowski, M. and Wandschneider, T., 2004).

## 2. The concepts of rural areas and rurality in Romania

According to the provisions of Ordinance no. 143 of 4 March 2005 (published in the Romanian Official Journal no.382/6.V.2005) issued by the **Romanian Ministry of Agriculture, Forestry and Rural Development**, rural areas are the areas belonging to communes, and to the peri-urban areas of towns and cities where the following economic activities exist:

- a) agricultural production of vegetables, animal breeding, forestry, and fishing;
- b) industrial processing of agricultural, forestry and fishing products, as well as activities of handicraft and small industry;
- c) tourist services and resorts for recreation.

According to the “**Rural Development in Romania Green Paper**”, elaborated in the period 1996-1998 in the framework of the PHARE Project RO 9505-04-03, the concept of a rural area was considered to be “the administrative territory of the 2685 communes in the country”. The term ‘Commune’ means the basic regional administrative unit (NUTS 5) inhabited by the rural population, according to the Law No. 2/1968 on the administrative structure of the national territory. The “Rural Development in Romania Green Paper” (1998), states: “The advantage of an approach starting from the basic regional administrative entity - the commune - consists of the opportunity to place, and maintain, the foreseen rural area development within the coordinates given by the traditional rural regionalism, manifested by administrative operation, by history and local culture as well.” The main disadvantage of this definition of the rural areas is the exclusion of the small towns situated in rural areas from the defined rural territories.

If we used the **OECD methodology**, which identifies rural areas as communities with a population density below 150 inhabitants per square kilometer, the size of the Romanian rural area would be larger.

The diagnosis of the Romanian rural area had been realized by the authors of the “Rural Development in Romania Green Paper” using a set of 7 criteria, 35 sub-criteria and 45 indicators (45). The main criteria were: 1. physical-geographic; 2. demographic; 3. economic; 4. housing; 5. infrastructure; 6. social; 7. ecological. The degree of rurality in Romania at county-level (NUTS 3) is as follows:

- Predominantly rural regions (over 50% of the population living in rural communities): 27 counties out of the total of 42;
- Significantly rural regions (15 to 50% of the population living in rural communities): 14 counties;
- Predominantly urban regions (less than 15% of the population living in rural communities): 1 (Bucharest).

The weight of the rural area can be characterized by the share of rural territories and by the share of population resident in rural areas. Romania’s rural population resides in 12,751 villages, which are organized into 2,688 administrative units (called communes). The population density in rural areas is approximately 48 inhabitants/square km, well below the overall country average of 90.9 inhabitants/square km (Babes-Bolyai University, 2005).

### 3. Main characters of rural poverty in Romania

Rural population is much more endangered by poverty and social exclusion than urban inhabitants. Rural income per capita is lower with at least 22% than in the urban areas and this gap is increasing. The relative poverty risk in rural areas is more than double that in urban areas (42% and 18%, respectively). Rural poor represent two thirds of the total poor population in Romania.

In terms rural poverty, **consumption poverty** is the key problem of poverty in Romania (Institute for Research on Quality of Life, Stanculescu, M. et al., 2004) because:

- it is 2.4-3.4 times higher than urban poverty;
- it is more rigid to economic growth than urban poverty, given the fact that most of the investments and value added are concentrated in the secondary and tertiary sectors (that are under-developed in the rural areas).

#### 3.1. Who are the rural poor?

Using data on households' expenditure in the years 1997-2000, several studies (Tesliuc, Pop, and Panduru, 2003; Observatory for Raising Awareness on EU Inclusion Policy in the South-West Region of Romania, 2005-2006) identify the following characteristic features for the rural poor in Romania:

1. *Roma households* are poorer than the rest of the households. This ethnic characteristic is better correlated with low levels of expenditure and the effect is 50% stronger in rural than in urban areas;
2. *The size of the households and the number of children* – The average number of children aged below 18 is 7 times higher for the households of the poorest quintile than in the richest quintile;
3. *Self-employment and unemployment* – Self-employment in both agriculture and non-agricultural activities in the rural areas contributes to a decline in households' income. The low participation rates to the formal labor market are strongly correlated with the low levels of households' expenses;
4. *The education level* exerts a strong impact on the households' expenditure and low education levels induce a high risk of poverty.

#### 3.2. Key facts and figures on poverty and social exclusion in rural areas

- The level of post-neonatal mortality is 6 times higher in Romania than in the EU. The indicator is much higher in rural areas, which show the precarious sanitary and healthcare conditions and services, as well as the lack of qualified personnel (Joint Inclusion Memorandum, Romania, 2005);
- 4.5% of the residents in rural areas live in villages that have no physicians. For 100000 inhabitants there are 301 physicians in the urban areas and only 58 in the rural areas;
- more than 7% of the rural population has not completed any formal schooling as compared with less than 2% in urban areas. More than 50% of rural poor aged 15-24 are not in school and did not attend vocational- or high-school (Tesliuc, Pop, and Panduru, 2003);
- only 2% of the population living in rural areas holds higher education (The Institute for Education Sciences, Ministry of Education and Research, 2001);
- the infrastructure is very poor in the rural areas and so is the endowment with slow moving consumer goods/durables. In 2004, 87% of the households had no running hot water, 83% had no sewerage, 26% had no refrigerator and 62% had no washing machine (The National Institute of Statistics, 2004). Electric power supply is the only public utility that covers the whole rural area. The power supply coverage has increased recently from 96.4% to 98.5% following a public electrification programme;
- isolation of villages during heavy snows for at least one week has an incidence of approximately 30%. Lack of drinking water in summer has an incidence of almost 50% (Foundation for an Open Society – *The rural Eurobarometer*, 2002).

### 3.3. Strategic documents

Combating rural poverty constitutes a focal point of several strategic documents, elaborated by the Romanian Government that have been approved or currently follow a process of reviewing by the European Commission.

The *Joint Report on Social Protection and Social Inclusion 2007* highlights the fact that the poverty risk rate was 18% in 2004 in Romania, recording the highest levels in the rural areas (it is estimated that 70% of the poor people live in the rural areas), among roma, children and elder women. A strategic priority is considered to be the active social inclusion of vulnerable groups living in the rural areas. This strategic priority has been transposed in operational terms in the *PHARE Social and Economic Cohesion Programmes 2005 and 2006* (that are currently on going) which highlight the focus on financing active measures in the rural areas. Moreover, *the Sectoral Operational Programme for Human Resources Development (SPO HRD) 2007-2013* has entrusted a set of intervention fields to an intermediate body (The Romanian Fund for Social Development) dealing with the social inclusion and active measures for rural population endangered by poverty and exclusion.

*The National Strategic Report concerning Social Protection and Social Inclusion 2006* shows that in 2005 the poverty rate was in 28% in rural areas as compared to 10.2% in urban areas. Among the strategies and targets envisaged for combating poverty and reviving the rural areas, the National Report mentions “stimulating job creation in rural environment through industrial sector and services development”, as well as “the increase of the number of social services in rural areas”.

*The National Development Plan 2007-2013* pays special attention to reviving rural areas, by dedicating an important component to the **National Strategic Plan for Rural Development** and the **National Programme for Rural Development**, functioning as an operational programme financed by the European Agricultural Fund for Rural Development.

### 3.4. Stakeholders in the analysis of rural poverty

The interest and attention dedicated to rural poverty and social exclusion in rural areas very much depends on the background of various stakeholders. A synthetic table is below presented (Table 1).

**Table 1. Stakeholders in the analysis of rural poverty**

Main stakeholders	How the topic of rural poverty is addressed?	What is the interest in addressing rural poverty?
Political parties	Pre-election campaigns Talk shows Public debates	Rural population is always a mass of maneuver for political parties, still easy to manipulate.
The former Delegation of the EC in Romania	Campaign entitled “The Romanian village – an European village”, 2005 Interactive contests; public debates	Raising awareness of the local rural communities on the opportunities offered by accession to fight poverty and social exclusion
Institute for Research on Quality of Life	The scientific forum “The Romanian village on its way to Europe”, 2006 Academic research Several published research papers on the topic The map of poverty	Creating a permanent forum of ideas among specialists in the field; Generate core ideas and rationale for public strategies and policies
The Anti-Poverty and Social Inclusion Committee	Studies, quantitative and qualitative research	Core ideas and rationale for public strategies and policies
The United Nations Development Programme	Studies, quantitative and qualitative research	Analysis in view of financing modulation and prioritization
The USAID	Studies, quantitative and qualitative research	Analysis in view of financing modulation and prioritization

### 3.5. Data availability

Unfortunately appropriate data for developing a research on poverty and social exclusion in rural areas in Romania is not completely available. This applies for the time span (usually data for 2005 and 2006 is missing) and for cross-regional analyses (data is not broken down across regions to highlight development discrepancies between urban and rural areas or even between various rural areas). Nevertheless, some credible sources of data have could be used:

- the National Institute of Statistics - *Survey on income and living conditions of the households* (up to 2004);
- Anti-Poverty and Social Inclusion Committee – *The System of Social Inclusion Indicators* (up to 2004);
- Open Society Foundation - *The rural Eurobarometer* (last one elaborated in 2006);
- RODA – the Romanian Social Data Archive. The archive contains data collections accessible for the academic community and the interested public, for secondary and comparative analysis, under certain access conditions ranging from free access to some level of restriction imposed by owners. RODA is integrated into a global archive network, being affiliated since February 2002 to CESSDA (Council of European Social Science Data Archives) and since December 2002 to IFDO (International Federation of Data Organisations);
- collection of regional data - University of Craiova (2005, 2006) - Observatory for Raising Awareness on EU Inclusion Policy in the South-West Region of Romania, Project financed by DG Employment, Social Affairs and Equal Opportunities, VP 2004/04/05-10112.

Given the data gaps recorded for the last 2-3 years, research on the issue may skip some recent trends that occurred and do not comply with previous trends (e.g. migration to Italy and Spain, which will be subject of a separate paragraph of the present review).

### 3.6. Multi-dimensional analysis of poverty and social exclusion in Romania

#### *Age and education*

In Romania households with a higher average age (fewer or no children) and those with better education are less often found in the lowest income quintile. Although the number of schools in the rural area exceeds the population needs the quality of education is lower due to both education infrastructure and level of qualification of staff. Most of the schools need rehabilitations and building endowments, but also according to didactic needs. IT is very scarce in rural schools and equipment for vocational and apprenticeship education is obsolete or missing (Government of Romania, Ministry of Agriculture, Forests and Rural Development – *National Strategic Plan for Rural Development 2007-2013*).

#### *Types of activities*

Non-farm enterprise and migration labour are found to be positively associated with a higher risk of poverty. Such non-agricultural activities appear to be of a distress-push nature. The fact that, despite these findings, having more sources of income is still linked to a reduced risk of poverty may be due to the main nonagricultural income sources, wage employment and social transfers. Romanian households with livestock-orientated farm operations are less at risk of poverty, because of the generally higher returns to livestock production compared with crop production.

#### *Location*

It is interesting to note that, in broad lines, location does not have a statistically significant relation to the risk of poverty in Romania. This is not to say that less developed areas, or more rural areas, do not have a higher incidence of poverty; but rather that any location-specific effects are incorporated in the other variables. This is desirable in an applied study, since policies cannot influence locality, but they can affect those other factors that may make households, and indeed localities, vulnerable to poverty (The Sociology Institute of the Romanian Academy, 2005).

Among the **factors that incorporate location-specific effects**, we can mention:

1. isolation from modernized roads – this significantly reduces access to services such as goods delivery, healthcare and education services (specialized staff refuse to go to remote places);



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2. decline in population – many of the young inhabitants have left because these locations are seen as hopeless cases;
3. former system of land ownership – the communist regime had started to implement the co-operative system consisting of the expropriation of land from private owners to the co-operatives, without paying any benefits. It has been statistically observed that these areas are more deprived than the ones where private ownership has resisted;
4. the distinction between central and peripheral villages - almost all the communes in Romania include a central village and one or more peripheral villages. The rural population is evenly divided between the two categories of locations. While the central villages concentrate the administrative and institutional resources, the peripheral villages only have a church and a primary school. Consumption poverty is thus concentrated in certain communities with specific features – they are small villages, remote from cities or any European roads and with weakly developed non-agricultural sector, as shown in various poverty maps (Anti-poverty and social inclusion committee (CASPI), 2004);
5. the agro-touristic potential – rural areas that have valorized their touristic, ecologic and cultural potential are better off than those that strictly depend on agriculture (examples of touristic circuits developed by ANTREC – The National Association for Rural, Ecologic and Cultural Tourism: “In the shadow of the fir-trees”, “The school of nature”, “In Dorna County”, “Trips in the Apuseni mountains”, “A trip to the cheese land”, “Live naturally”, “Learn the pottery art in Horezu”). Unfortunately, such examples of good practice are not supported by appropriate infrastructure projects to ensure good roads and utilities for these areas. This should become a priority for the 2007-2013 financial framework.

The SAPARD National Agency that was in charge with financing a component dedicated to rural infrastructure, lists the following examples of good practice:

1. Sewerage network in the villages Giroc and Chisoda, Giroc Commune, Timis County – total budget of the project 990,884 euro and 5100 inhabitants as direct beneficiaries  
<http://www.sapard.ro/modules/freecontent/index.php?id=37>
2. Communal road DC 192 Giulvaz-Crai Nou, Timis County - total budget of the project 878,365 euro; the road allows for creating bus connections between the villages of the Giulvaz Commune and the city of Timisoara  
<http://www.sapard.ro/modules/freecontent/index.php?id=38>
3. Modernizing local roads in the Prundeni Commune, Valcea county – this has significantly improved access to car and train traffic especially in winter time as well as access to the main agricultural and industrial sites in the area  
<http://www.sapard.ro/modules/freecontent/index.php?id=39>
4. Modernizing local roads, Local Council Victor Vlad Delamarina, Timis County - total budget of the project 794.123 euro; this has helped the inhabitants of 4 remote villages to have access to the Commune as well as to the cities of Lugoj and Timisoara.  
<http://www.sapard.ro/modules/freecontent/index.php?id=40>

As one can see, these examples are not homogeneously distributed at geographic scale, so we can not speak about an improvement in the rural infrastructure in Romania. SAPARD funds have nevertheless constituted the most important, if not single, source of money for the rural infrastructure.

### *Capital*

In Romania's rural economy, characterized by high levels of subsistence food production, low levels of savings, and faltering financial markets, it could be argued that it is mainly the physical and human capital that determines income and poverty levels.

### *Gender*

There are many differences between the general status of women in Romania and the status of rural women. In part, this is a reflection of the general disparities between urban and rural areas, in what concerns, for instance, the educational level, employment opportunities, and sources of income. Many women in rural areas do not have a stable and safe income source such as a wage or a pension. This makes (or could make) them dependent on the bread-

winner of the family or on social security services. The level of women's income is lower than that of men for almost all income categories, because of their lower qualifications and lower occupational status. The women who are unpaid domestic workers or agricultural workers on their own land are very vulnerable to social risks because they are not covered by any insurance scheme. (United Nations Development Programme, 2002).

### *Ethnicity*

Roma people who do not own pieces of land and/or forest have extremely low possibilities to get employed in income generating activities. This happens especially because they do not comply with schooling and qualification criteria (Institute for Research on Quality of Life, Marginean, I., 2004). Roma are the most mobile ethnic group and are typically involved in low-status occupations, including the sale of secondhand clothes in markets, basket and broom making, manufacturing of cart wheels and horse shoes, and collection of iron, aluminum, sheepskins, glass and paper for sale as scrap (Natural Resources Institute, Wandschneider, 2003).

### *Infrastructure, access and utilities*

The current network of roads serves for only 3/5 of the population. Only half of the communes have direct access to the main network of roads. The poor quality of roads is often accompanied by the absence of specialized transport services, which seriously affects the access of rural population to education, healthcare services and to urban markets (Institute for Research on Quality of Life, Stanculescu, et al., 2004).

The poorest villages and those with lower levels of human development are usually the ones isolated away from modernized roads and big urban centers and with an outlying status inside the communes they belong to. On the other hand, villages with higher levels of human development and potential for opportunities are the hillside villages, nearby major roads and big urban centers, which have a central status at communal level (United Nations Development Programme, 2006).

Beside the poor connections to water and sewerage systems, a big issue is the poor quality of water, which significantly diminishes the quality of life and activates the risk of diseases especially following natural disasters such as floods.

The rural areas are also deprived as regards the institutions that are meant to facilitate social participation. Social exclusion can be defined as a missing connection to communication and information systems that bridge individuals and the local community. In the villages from Romania, financial and banking infrastructure, as well as theaters, museums and cinemas are under-developed. The insurance of agricultural production is under-used (only 6% of the rural households in 2002). The spectacular development of mobile telephony partially compensates the missing phone connections in the rural areas.

### *Medical assistance*

Many isolated rural areas suffer from the lack of medical infrastructure and staff. In 2004, 58,057 doctors (including dentists), 8,763 chemists and 112,683 hospital attendants were working in the health care system (public and private). From the doctors' number, including the dentists, only 11,7% worked in rural areas. This is even lower for roma communities although several pilot projects have been implemented to balance this gap (e.g. setting up a group of mediators for improving medical assistance to roma communities).

Not only the poor medical infrastructure, but also the low number of people with medical insurance in rural areas generate problems. In order to ensure equal access to basic medical services (such as first aid, emergency services, national vaccination programmes), a kit of basic medical assistance is granted by law.

### *Social services*

The number of registered providers of social services in the rural areas (here including municipality services, NGOs etc.) represents less than **one third** out of the total number of registered providers of social services.

The income from social benefits (20,4%, with 1,1 percentage higher in 2005 than in 2004) represents an important category of income in the structure of households total income in rural areas. The income from agriculture and independent activities still represents a low share in total households income (7,6%).

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*Pensions*

Around 10 million people live in rural areas. Almost 5 million state social insurance pensions are provided in rural areas out of which 1,5 million are granted for agricultural activities. Despite the fact that the incidence of social insurance pensions is high in rural areas, a crucial negative element is the low level (usually pensions for agricultural activities amount to less than 80-100 euro per month; this is the result of several recent increases from about 30 euro or less per month in 2004). New opportunities are envisaged once private pensions start to function in Romania.

*Migration and commuting*

Starting from 1990, territorial mobility in Romania has recorded a series of particularities determined by major transformations in the political, economic and social life. The economic disparities already existing between urban and rural have increased during the transition years, influenced by institutional renewal, restructuring, privatization, etc.

In synthetic terms, we can distinguish between two types of flows:

- in-flows in rural areas – generated by retired people who have left the cities because their pensions can not cover the high subsistence costs in the urban areas. They include both the people who have left the villages to work in industrial cities in their 20s-30s as well as people who have not lived in the countryside before, but can not afford to live in the urban areas anymore. These last sell all their belongings and move to the countryside (where at least they can produce their food);
- out-flows from rural areas – generated especially by young people who migrate to urban areas both within Romania and abroad (particularly Italy and Spain). They also include two categories: young people who move to urban areas in order to get a higher degree of education and training and find a job or people who become unemployed and delinquent. It is estimated that out-flows from rural areas abroad are approximately equal to the urban out-flows abroad.

The in- and out-flows play a significant role (in 2004 this indicator has already reached the value of 12‰ from the rural population). Rural-urban commuting has suffered a significant decrease (of almost two thirds between 1990 and 2001), especially for rural communities close to small and medium urban areas affected by industrial decline. According to data collected in 2002 by the National Institute of Statistics there were still 600,000 commuters from rural to urban areas in March 2002 (Sandu, 2003). In June 2002 the composition of the rural active population was as reported in Table 2.

**Table 2. Composition of rural active population**

Type of activity	Location of the work	Type of effort	Groups of occupations	%
Non-agricultural	rural, in the commune of residence	non-physical	professionals, managers and technical staff	3.3
			services and public servants	4.3
	urban	physical	non-agricultural workers	7.6
physical / non-physical		non-agricultural commuters	17.8	
Agriculture	rural (mainly in the residence commune)	physical	Agriculture	67.0
Total %				100.0

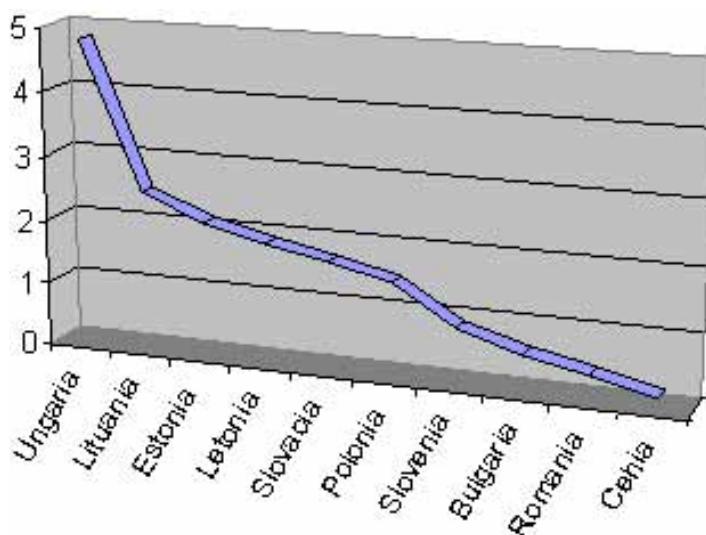
Source: National Institute of Statistics

According to World Bank data, remittances at global level were in 2004 of approximately 232,3 billion USD, from which the share of Europe and Central Asia (ECA) was of 8% (18 billion USD). For many of ECA countries, remittances are representing the second source of external financing, after foreign direct investments, and in countries like Moldova and Albania are even in the first place.

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Considering both the remittances from the Romanian immigrants, as well as the outcomes from the other countries immigrants, Romania will increase its role on the financial services market inside the European Union. Even if there are large discussions in Romania regarding the remittances phenomenon, this is still at a low level comparing to other neighboring countries and even to other EU states. For example, the remittances share in GDP in Romania is between the lowest among the 10 Eastern and Central European countries:

**Figure 1. Remittances as a share of GDP (2004)**



Source: I.M.F.

In Romania, where 50,8% of people working abroad come from rural areas and is not familiar with the banking system, consumption is predominant. The rural migrant population's final consumption increased with 10,9% and thus consumption and not accumulation became the final destination of remittances. Money sent back home to their families by the Romanians working abroad had positive effects on the beneficiaries' standard of living.

Out-flows from Romanian rural areas to Italy and Spain exert strong negative effects on the unity of their families and educational performances of their children. In many villages from Romania, with children left alone after parents' leaving abroad, the authorities are supporting the little ones to survive. Impressed by the children's situation, the local authorities initiated a crises committee to offer them moral, educational and financial support. A local counselor, a social assistant, the school's director and the local priest form this committee. Monthly, they are visiting the children whose parents left for working abroad, trying to find their needs and offer temporary solutions to solve their problems. High rates of family disintegration, school leaving and juvenile crime are the worrying part of these local communities reality.

#### *Other categories at risk*

Beside Roma and women that have been previously identified and described as groups at high risk for poverty and social exclusion in the rural areas, we could add:

- (a) retired people with very low pensions coming from either the agricultural sector (the average level of pension benefits in rural areas currently amounts for 35 euro) or from urban areas;
- (b) school population - due to the poor infrastructure and to the low level of staff qualification, they are deprived to some extent and are at high risk of early school leaving;
- (c) inhabitants of remote areas – for reasons that have already been mentioned in terms of deprivation and weak access to services.

## 4. Assessment of relevant policies for fighting poverty and social exclusion in the rural areas

### 4.1. Background

Traditionally, public policy dealing with rural areas took a primarily sectoral approach and focused on agriculture; an example of this is the EU's Common Agricultural Policy (CAP), introduced in the late 1950s. During the 1980s, however, it was recognized that the problems facing rural areas in decline could not be adequately addressed by dealing solely with the agricultural sector. Rural policy thus shifted, taking a more territorial approach and placing rural development in a wider perspective: tourism, for instance, and other service industries are now recognized for their role in rural development.

The shift experienced from sectoral policies to 'place-based' policies has resulted in a transfer of policy responsibilities from central governments to regional and local ones; it also points to the greater importance of 'bottom-up' approaches – of involving local actors (social partners, NGOs, companies and local citizens) in decision-making. Given the diversity of different rural areas, moreover, tailored policy approaches are needed to meet these regions' differing needs.

With 'bottom-up' approaches to decision-making becoming more important, regional and local administrative bodies are playing a bigger role in rural job creation. While these are often understood to mean regional governments or administrations, regional employment services may carry the greatest responsibility for the regional labour market, in terms of matching skills to vacancies at the local level. The level of autonomy that these regional and local actors enjoy generally depends on the national political context.

In some of the countries studied, social partners representing entrepreneurs and employees are actively involved in developing the rural labour market by representing, at a national level, their associates in social dialogue or consultation processes.

Non-governmental organizations (NGOs) are actively involved in job creation and developing social capital in European rural areas; however, the extent of their involvement differs considerably from country to country. In some countries, NGOs are of considerable importance: because of a lack of government finances, and NGOs' greater familiarity with local needs, they may be the main drivers of networking and the key actors for improving living conditions and job creation at a regional level. By contrast, rural NGOs in other countries are of minor importance, since they are relatively small and not well organized. Lack of funds is a challenge to many NGOs active in rural areas.

Given the number and diversity of actors involved in rural development, it is particularly important that their activities be coordinated to ensure coherence, avoid any duplication of actions and generate synergy effects.

In most of the countries studied, the value of social capital in rural development and labour market policy has been recognized, even if the term 'social capital' is rarely used. In other countries, the development of new types of economic and social partnerships between public and private actors at the local level is highly valued and seen as constituting a necessary precondition for the success of job creation measures.

### 4.2. National policies in the field of agriculture and rural development

In Romania, as in the other Central and Eastern European countries, a cohesive approach to rural development was put forward with great delay. The European integration process played a decisive role for changing the perspective of the policymakers. Even if some isolated measures exceeded the sheer agricultural function, a rural development strategy was prepared no sooner than 1998, "preceded by a comprehensive diagnosis of rural areas" (OECD Centre for Cooperation with Non-Members, 2000). Yet, "the first programming document, which covers the whole rural area" (Ministry of Agriculture, Forestry and Rural Development of the Republic of Romania, 2002) is the National Plan for Agriculture and Rural Development completed in 2000 and designed to serve as a basis for the implementation of the SAPARD programme.

Romania decided to choose 11 out of the 15 measures from **the SAPARD menu**, showing thus one of the most dispersed allocations of resources of all Candidate Countries. Romania allocated the highest percentage of the total SAPARD money to developing its rural infrastructure.

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➤ **Consequences for social inclusion**

Contribution to increasing accessibility to some of the rural areas by means of improved road infrastructure and improved living conditions by increasing access to some of the utilities.

Romania's particular options for the breakdown of SAPARD money actually reflect more serious structural rural and agricultural problems than in the other countries analyzed. Nevertheless, beyond the allocation differences revealed, the Romanian SAPARD plan shows a clear preference for competitiveness-oriented measures to the loss of the environment-oriented ones.

➤ **Consequences for social inclusion**

Small producers with low income could not access SAPARD because they were not able to get the relevant information, to prepare project proposals and to advance payments. Thus, the gap between the poor and the wealthy deepened.

In terms of SAPARD programme assessment, the main problem lied within the programme management. This problem was typical to all Candidate Countries but in different degrees. The major shortcut was related to the **administrative dimension** of the absorption capacity. On the one hand, the "supply" of funds was handed over to new and inexperienced institutions. On the other hand, the "demand" for funds lacked sufficient information and education. Moreover, the financial management system based on advance payments considerably hindered the accession of the SAPARD money.

The main difference between Romania and the 2004 acceding members is that Romania joined the EU at the beginning of a new financial programming period and benefits from a substantially reformed rural development policy. From this perspective, a later accession brings clear advantages: a structured and diversified rural menu doubled by considerably simplified financial programming and management.

### 4.3. The new rural setting 2007-2013

The new rural setting (2007-2013) poses a series of challenges and even difficulties to be addressed and solved, as follows:

- **Accurate identification and prioritisation of the rural development problems**

The responsibility for the accuracy rests entirely with the Romanian policy makers. The recourse to the subsidiarity principle is crucial for ensuring a EU-wide functional rural development policy but it may also turn into a burden especially for a newcomer. For Romania the additional difficulty comes both from its limited programming experience and from the variety and seriousness of its rural development problems. These factors lead to the risk of spreading the Community support over too many measures and consequently to the reduction of the overall effectiveness of the rural development programme (Ahner, 2004).

➤ **Consequences for social inclusion**

Social inclusion might again come last in the list, being preceded by more "structural" points of interest.

- **Assessment of the EU rural development measures' goodness of fit to the previously identified domestic needs**

First Romania should check whether the Community menu contains the measures to address its specific rural problems and then it should examine if the existing measures are actually applicable to its economic and social outset. The responsibility for finding a convenient solution to the goodness of fit problem can be shared with the Community.

### ➤ Consequences for social inclusion

The present study can contribute to highlighting the differences between approaching poverty and social exclusion in rural areas between various European countries. There is not, in such a context, a general model that could be applied for solving these problems, and thus, the European support should be tailored to the local needs. Unfortunately, the strategic document that serves as basis for this purpose is not yet approved.

### • Consideration of the implementation constraints

This final issue deals with the assessment of the rural development measure accessibility (in terms of eligibility criteria and intensity of Community intervention) in conjunction with institutional functionality. The influence of these two factors is finally mirrored in the absorption capacity rate.

Over-employment and excessive fragmentation of agricultural holdings are two major problems weighing on the Romanian agricultural sector (Râmnicéanu, 2004). In correlation, the dedicated measures in the EU rural menu are early retirement and support for the semi-subsistence farms undergoing restructuring. The question is: how well do these measure fit Romania's needs? At a closer examination, the **early retirement's** goodness of fit is actually lower than expected.

One of the determinants of the agricultural over employment is the involvement in farming of approximately 1 million of persons who actually exceed the legal retirement age (Dumitru et al., 2004). The Community measure is useless for removing them and the only solution rests with the national pension system. According to the before-mentioned study, the total farm population that can actually be eligible for the Community scheme – if solely age criteria were taken into account – is no more than 300,000 persons. Even so, they are not all eligible for early retirement support, due to the social security contribution constraint. Keeping with the farm population structural problems, the ageing of farmers – another concern for Romania's agriculture – can be addressed with setting up of young farmers support.

To a certain extent **the measures targeted at semi-subsistence farms** may lead to the same results in terms of farm restructuring as the early-retirement. A major challenge for Romania is to provide the exact definition of a semi-subsistence agricultural holding so that the desire to increase the accessibility of the measure does not impede upon its effectiveness. Yet, according to some official estimates (Steriu, 2004), approximately 1 million farms are expected to be eligible for this kind of support.

Early retirement schemes can be complemented with diversification of agricultural activities and providing alternative income in order to achieve the same goal: a rebalance of the agricultural population structure. According to Dumitru et al. (2004), the main directions to target support are rural tourism as well as processing and promoting traditional local food and beverage. The need to support such a measure can be connected primarily to the over-employment problem in the agricultural sector.

The Community rural development support should rather be directed to **agri-environment measures**, because:

- these measures encourage extensive and relatively more labour-consuming farming, while also being the main modality of supporting organic agriculture;
- Romania may develop advantages over the old members by capitalising its abundant labour force and less intensive farming methods (this is of particular interest for the poor segment of the population that might access a new source of income).

### ➤ Suggestions for ensuring a high absorption rate and balanced (non-polarized) access to financing also for the poor, deprived categories of people

- Incorporation into the Rural Development Plan of support for information and consultancy dedicated to rural actors;
- Facilitation of credit access for providing advance payment if the case be;
- Provision of the amount of budgetary resources necessary to ensure the matching with Community funds.

#### 4.4. Education policy

**Ensuring and Broadening the Access to Education** represents, at operational level, a combination of measures taken by the Ministry of Education, Research and Youth in order to eliminate the obstacles that obstruct the open access to education, with particular accent for rural areas and disadvantaged groups.

This policy presents, via some of its measures, direct relevance for fighting against poverty or for social exclusion issues in rural areas, with inertial effects, due to the specific of the field. Anyhow, some immediate results are to be observed in the very near future.

The impact on the target groups is direct and immediate, despite the facts that the “reporting” interval in education lasts at least 4 years. In this respect, it is difficult to have a quantitative assessment of the obtained results. The most relevant measures implemented in the field of providing education services for rural residents include:

- **Improving the Regional/Local Education Action Plans (allocation of 6 million Euro)** – in connection to major stakeholders in the region, in order to make the education system efficiently responding to the real needs of the regions/communities;
- **Rebuilding the Rural Education System (allocation of 100 million Euro)** - for school rehabilitation from rural areas;
- **Improving the IT and Logistic Equipment in Rural Areas (allocation of 40 million Euro)** - different didactic materials, IT equipments, books etc.;
- **Rural Education Project (allocation of 91 million Euro)** - developing the educational sector, the school management etc.;
- **Access to Education for Disadvantaged Groups (allocation of 10 million Euro in several rounds)** - accent on stimulating the participation to the educational process of Roma pupils;
- **Agriculture Grant Schemes** - addressing the higher education students in order to provide them incentives.

The main bodies involved in implementing and supporting the education policy in the rural areas are the Ministry of Education, Research and Youth and some of its constitutive bodies, National VET Center, County School Inspectorates, Local Councils and Non Governmental Organizations.

The official statistics of the Ministry of Education, Research and Youth (and of some of its affiliated bodies) show that the school year 2004/2005 recorded a decrease in students number by almost 3.5% as compared to the school year 2000/2001. The most important number decrease is that of students registered for primary and gymnasium level, with 11.0% and 22.3%. As for high-school education and professional technical education, there is an increase in the students' number by 12.5% and 20.8% - figures that can be justified by the positive impacts of the actions developed in rural areas and by implementing the Regional/Local Education Action Plans; the growths are different depending on the residential area, in favour of rural area.

During the period from 1990 to 2005, the early drop-out rates have remained high, up to 23.4% in 2005, in the case of youth between 18-24 and the tendency is one of rising. Early drop-out is, of course, a negative phenomenon with direct impact on the competitiveness and the quality of human resource. Note that the current rate of school abandon dramatically overcomes the value of 10 % which represent the reference European standard set in the Lisbon Agenda for 2010.

The researches conducted indicate that, for children who live in poor households, there are 2.3 times higher chances of school abandon than for children who live in households which are not poor. This figure goes up to 3.1 for those who live in households affected by sever poverty. Few measures were taken for bringing back into the system the drop-outs, either right after the abandon or later, through permanent education. There are positive signs from the bodies in charge of the implementation of Regional/Local Education Action Plans that improving the schools infrastructure, management system and teachers competences started to have positive impact on the drop-out rate.



## 4.5. Employment policy

Between 1999 and 2005, the number of employees in Romania decreased by 1,338 thousand persons, which means 13.2%. In 2004 the employees represented 9,158 thousand persons from the total active population of 9,957 thousand persons. In 2005, the employees represented 9,147 thousand individuals. The employment rate of the persons of working age was of 57.7% as compared to a EU-25 average of 63.0% and a EU-15 average of 64.2%.

The difference between male and female employment was 12.4 percentage points in 2005 (63.9% for men, 51.5% women), and the difference between the two residence areas was 6.6 percentage points (61.6% in rural areas and 55.0% in urban areas).

For the population aged between 15 and 64 the employment rate was 57.9%, as compared to 63.3% in EU-25 and 64.7% in EU-15, and in 2005 the employment represented 57.7% as compared to 63.0% in EU-25 and 64.5% in EU-15.

This policy presents indirect relevance for the fight against poverty or social exclusion. The impact on the target groups is direct and immediate, due to the fact that unemployment in agriculture is higher than the country average; on the other hand, this measure contributes to the decreasing of grey or black labor market, which is very common in rural areas.

The **most relevant initiatives** undertaken include:

- **The Employment Programme 2006** - The actions developed in this Programme led to the employment of 509,127 persons (the proposed goal was of 380,000 persons);
- **Work Caravans** - the main activities referred to the dissemination of specific information and to identification of problems for people from rural areas and the roma communities;
- **Law No. 279/2005 - Apprentice Law** – it stipulates the role of the employer and the connections with the apprentice, mentioning the rights and the obligations of each part;
- **Job Fairs** – this action took place at general level, but also targeting various sectors with high risks from social exclusion point of view, namely Roma population, women, persons with disabilities (in 2006 over 150 Job Fairs at national level were organized).

The main bodies involved in implementing and supporting the employment policy in the rural areas include: the National Employment Agency; the local (county) Employment Agencies together with local councils and NGOs.

This specific policy responded to the next strategic objectives assumed by the Government:

- Encouraging youth employment by offering stimulants/incentives to both the youth and the employers;
- Encouraging the creation of new job places through advantageous terms of credit for small and medium sized enterprises;
- Stimulating job creation in rural environment through industrial sector and services development.

## 4.6. Pensions reform

One of the basic principles of the Romanian social protection system is that it should provide a minimum income for all persons without incomes or with insufficient incomes, respectively under the level established by law. The Government took action in this respect, in order to bring a large category of people in the framework of the basic principle mentioned above, with a focus on **reducing differences between pensions in the agriculture sector and the other sectors**.

This policy is complementary to the Government policy of increasing the pensions at a general level and it can be considered as being specifically directed to rural areas. The impact on the target groups is direct and immediate, due to the fact that pensions in agriculture sector are much lower than the country average, replicating the situation of the average income which in rural areas is only about 55% of the country average. The beneficiaries were selected on broad scale, including **all persons** that benefit of pensions from agriculture. All studies and statistics mentioned the fact that in agriculture the level of pensions was dramatically low, bringing people under the limit of subsistence, in the area of severe poverty.

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**Increasing the pensions of the people who have been working in agriculture** by 10% of the average pension scores the person has obtained by working in the former Agriculture Production Cooperatives and later on. The increasing algorithm has been divided in two steps:

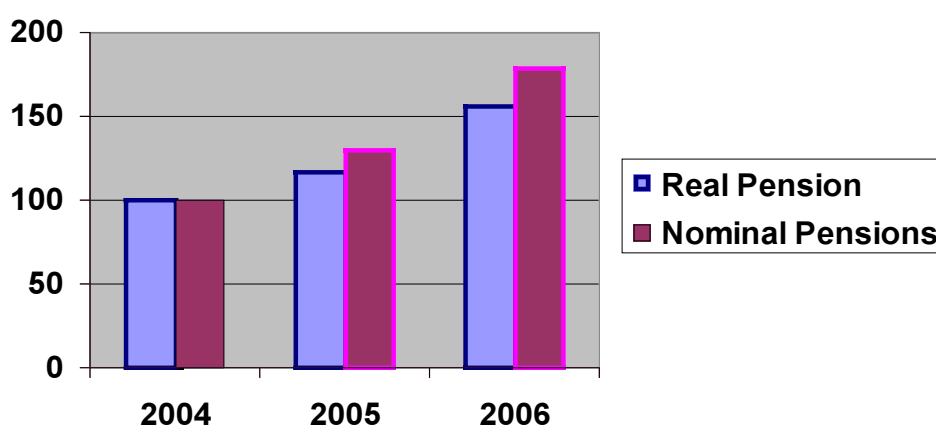
- Step 1 - until the Law 80/1992 was promulgated (July 29<sup>th</sup>, 1992);
- Step 2 - thereafter until April 1<sup>st</sup>, 2001.

About 1.6 million persons benefited of this measure, whose monthly budget is around 3.8 million euro.

The National House of Pensions (and its branches at county level) is responsible for the implementation of this specific measure, namely collection, control and enforcement of contributions. The National Agency for Employment (and its branches at county level) has a major role in the implementation process. This joint became more operational since 2002 when the controlling bodies of this two institutions were unified.

The analyses of the National Pension House show that the nominal pensions in the agriculture system increased at a rate higher than the national average, with a nominal increase of 77.2% and a real increase of 55.6%, as shown in Figure 2.<sup>1</sup>

**Figure 2. Average pensions in agricultural sector**



The Romanian Pension system has undergone numerous reforms in the previous decade aimed at improving the sustainability of a system coming to terms with a demographic challenge and likely issues of future adequacy to the European Union. This measure shows that the reforms of the **first pillar** (referred to as the public pension system) are in full swing and are within the framework of the assumed goals of the Government in this field, namely:

- creating a more equitable redistribution
- improving the link between contributions made and benefits received
- increasing the overall level of individual benefits through a process of harmonization
- improving the long term sustainability of the system.

#### 4.7. Social inclusion policy 2007-2013

Within the 2007-2013 National Strategic Reference Framework programme, attention has been paid to social inclusion policy, by including this topic, as a distinct axis within the Sectoral Operational Programme for Human Resources Development (SOP HRD).

The overall objective of this priority axis is: facilitating access on the labour market of vulnerable groups and promoting a cohesive and inclusive society in order to ensure the welfare of all citizens. The following *specific objectives* will contribute to the achievement of the overall objective:

- Promoting and supporting job creation in structures of social economy;
- Increasing the qualification level of persons belonging to vulnerable groups;
- Improving the level of skills and competences of professionals in the field of social inclusion.

The target groups for this priority axis are the vulnerable groups as identified in the JIM:

- Roma;
- Disabled persons;
- Young people leaving the State Protection System;
- Women;
- Families with more than 2 children;
- Single parents;
- Children at risk;
- Offenders and ex-offenders;
- Drugs and alcohol addicted;
- Homeless people;
- Victims of domestic violence;
- HIV/AIDS infected people;
- Individuals affected by occupational diseases;
- Refugees and asylum-seekers.

The European Social Fund operations for promoting social economy in rural areas shall support entities such as NGOs, social cooperatives, mutual associations, other charity and voluntary organisations, to provide a flexible and sustainable tool that can help communities to achieve their own objectives, such as: stimulating job creation and skills development; enhancing community capacity for social supports; supporting economic growth and neighborhood revitalisation; protecting the environment; mobilising disadvantaged groups.

Such social services of general interest have specific characteristics distinguishing them from other services of general interest. The activities promoted shall be based on the principle of solidarity and shall also rely on the voluntary participation of citizens and of not for profit organisations. They will be developed as closely as possible to the users, in partnership with local authorities and other important economic players at regional and local level. The setting up of such partnerships will also result in the empowerment of vulnerable groups in what concerns promoting positive action for the people belonging to vulnerable groups at community level, as well as gaining financial independence based on the income generating types of activities carried out in social economy entities.

**Indicative operations** in this respect include:

- Developing the necessary tools and mechanisms to fully implement the concept of social economy;
- Promoting employability and adaptability of low skilled people and people at risk of social exclusion;
- Supporting partnerships between all the stakeholders involved in community development (public institutions, non-governmental sector, enterprises, other associations etc.);
- Raising awareness, promotion of advice and information services and exchange of experience in the field of social economy;
- Developing adequate tools and methods for delivering social services; providing, developing and establishing flexible social services;
- Developing training programmes for the professionals involved in the social services system (social workers, personal assistants, community nurses, family mediators, sanitary mediators, maternal assistants, care givers, staff from residential institutions).

## Notes

<sup>1</sup> In what regards the average income, the increase at country level was of 224% for net incomes and the increase for agriculture sector was of 234%, slightly higher.

## 5. Case study. Roma people from rural areas

### *Background*

The current total Roma population has not been or cannot be accurately measured. The National Institute of Statistics reported in the March 2002 Census a number of 535,250 (self-declared) Roma inhabitants representing 2.5% of the total population and being the third most important ethnic group after Romanians (89.5%), and Hungarians (6.6%).

The 1992 Census reported the total figure of the (self-declared) Roma population to be smaller with 409,723 Roma people, representing approximately 1.8% of the total population. In the same year, under the auspices of the Institute for the Research of the Quality of Life, a national study was conducted with Roma communities, seeking to obtain an estimate of the real number of the people belonging to this ethnic group. Besides the figure obtained as a result of self-statement of identity, estimates were also used based on hetero-identification (more precisely, based on the statements of other members of the ethnic group) and the resulting figure pointed out to approximately 1,010,000 Roma ethnics (ca. 4.6% of the total population). Six years later, in 1998, a similar study by the same Institute, using identical methods reported 1,580,000 Roma in Romania (6.6% of the total country population), out of which some 63.5% was self-identified. An explanation for the 500,000 - person increase in the estimated number of members of the Roma community was however not provided. Another prospective demographic study estimated the Roma population in Romania between 1,500,000 and 2,000,000 persons, which is also in line with the number estimated by most NGOs.

For several reasons including discrimination and stigmatization experienced, it is understandable that not all members of the Roma community are willing to declare and record their ethnicity. For instance, during censuses persons may not declare themselves as Roma because of the negative connotation associated with the ethnic group. In addition, misrecording was reported during the census (e.g. the form not being completed by the individual concerned due to levels of illiteracy) and people not speaking the Romani language might as well have been counted as Romanians or Hungarians because of their use of the majority spoken language in a certain area. After almost thousand years of cohabitation, a significant number of Roma citizens belong to ethnically mixed families and/or are of mixed origin, and may not exclusively identify themselves as Roma. Even the self-identification as Roma can take a variety of forms reflecting the particular Roma multiculturalism and the multitude of different life experiences.

### 5.2. Literature

A series of documents regarding the situation of Roma population are provided by the National Agency for the Roma. Among them we can mention:

- comprehensive statistics following the 2002 census;
- Agency's activity reports;
- studies and other publications: Public policies for Roma in Romania; Public policies for roma. Evolution and perspectives; Roma Social Mapping.

There are also other publications related to the Roma population, such as:

- **“Public Policies for Roma people from Romania - Evolution and Perspective”**; authors: Mariea Ionescu and Sorin Cace, Institute for Quality life Research, Bucharest, 2005
- **“Workforce Employment policies for the Roma People from Romania”**; authors: Mariea Ionescu and Sorin Cace, Institute for Quality life Research, Bucharest, 2005;
- **“Housing and extreme poverty – The Case of Roma communities”**, authors: C?t?lin Brescu, Mariana Celac, Oana Ciobanu / Cosmin Manolache, Ion Mincu University Press, Bucharest, 2006;
- **“Education and Employment Opportunities for the Roma”**, authors: Niall O’Higgins and Andrey Ivanov, *Comparative Economic Studies*, 48(1): 6-19.

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*Facets of risk*

The socio-economic situation of Roma ethnics is still quite difficult and the level of poverty still remains high, the poverty risk level being three times bigger than for other ethnic groups. High levels of unemployment (28% according the 2002 census), low incomes, lack of professional skills, poor education (which is the consequence of low participation and performance), dire living conditions and difficult access to public services plague Roma communities. The lack of farming land and property rights over the houses dwelled by the Roma complement the situation in rural areas. Thus, the vast majority of the Roma are day workers without any stable source of income. A large number of Roma (about 50.000 people) do not own identity documents being excluded from all social benefits. In addition, the Roma continue to be the subject of de facto discrimination in accessing public services, the labour market and in media reporting. These attitudes are fomented by negative stereotyping and prejudices rooted in the public mentality.

Problems affecting concerned communities are often not addressed by local authorities arguing that in the absence of precise data, it is not possible to identify particular priority needs of Roma communities and to substantiate any real budgets at central or county levels dedicated to Roma issues. Yet in many counties and even in the case of available data as mentioned above (last census and estimates), the figures were not used for initiating interventions or localizing priorities.

The issue is not always clear for Roma organizations or experts themselves when having to define who should benefit from “special programmes for Roma”. Some would only see it justified to include as Roma those publicly affirming their Roma ethnicity. This argument may seem convincing but neglects that community self-identification must be seen as a process whereby breaking the vicious circle of poverty-exclusion-discrimination will raise the Roma image, identity, self-perception and declaration.

Social inclusion programmes should as a matter of principle include all vulnerable persons. Public social interventions using poverty and social exclusion criteria face a reality showing a systematic overrepresentation of persons belonging to Roma communities. Any serious intervention based on social priority needs, should therefore in principle benefit both self-declared and not declared Roma persons although this is not the case as vulnerable Roma groups are not yet receiving basic public assistance.

In addition to this mainstreaming dimension, specific programmes promoting cultural, political, ethnic and linguistic needs particular to the Roma groups are crucial in order to protect and document their specific identity and contribution to the multicultural Romanian heritage as well as to the contemporary society. Although such affirmative programmes may initially target self-declared Roma persons, their triggering effect can encourage more individuals to recognize their Roma or mixed origin and identity.

**Table 3. Distribution by county of Roma population**

County	Roma population	County	Roma population	County	Roma population
Alba	14306	Arad	17664	Arge	9227
Bac u	11839	Bihor	30089	Bistri a N s ud	11155
Boto ani	3390	Bra ov	18313	Br ila	5885
Buz u	14446	Cara Severin	7914	C l ra i	18343
Cluj	19834	Constan a	6023	Covasna	5973
Dâmbovi a	16534	Dolj	31544	Gala i	13151
Giurgiu	11573	Gorj	6399	Harghita	3835
Hunedoara	6823	Ialomi a	12182	Ia i	9624
Ilfov	11002	Maramure	8913	Mehedin i	9230
Mure	40425	Neam	6036	Olt	9137
Prahova	16781	Satu Mare	13478	S laj	12544
Sibiu	17125	Suceava	9186	Teleorman	13898
Timi	16084	Tulcea	2272	Vaslui	4873
Vâlcea	3955	Vrancea	6813	Bucure ti	27322

Source: 2002 Census.

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Realizing these discrepancies in the basic figures about the Roma population is crucial as this problem of numbers and identity identification will inherently be carried on in all social programmes attempting to target or mainstream specific Roma communities.

*Dimension and location*

Officially, the Roma minority living in Romania totals 535.250 people, according to the 2002 census, of which more than 325.000 (60%) locate in rural areas. However, independent estimates point to numbers varying from 1 million to 2.5 million. The European Commission's Regular Report on Romania underscores the surveys placing Roma between 1.8 to 2.5 million. Overall, the Roma are the second largest ethnic minority in Romania. According to the 2002 census, the spread of Roma population by counties is presented in Table 3.

*Institutions*

In October 2004, before the general elections, the Government passed an emergency ordinance establishing a new body, **the National Agency for the Roma (NAR)**, headed by a president whose hierarchical status is that of a secretary of state. The National Agency for the Roma is a specialised body of the central public administration; it is a legal person subordinated to the Government and it took over the powers and tasks of the Office for Roma Issues, including those of the Phare Project Implementation Unit working on Phare programme RO/2002/000-586.01.02 - "Support for the National Strategy for Improving Roma Condition" (according to HG 1703/2004, passed as Law 7/2005).

**County Offices for the Roma (CORs)** are subordinated to the Ministry of Internal Affairs and Administrative Reform (MIAAR) and operate within each of the 42 Prefectures of Romania. The main tasks and responsibilities of the CORs are the following:

- Evaluating the condition of the Roma population in their area of responsibility (i.e., their county).
- Identifying solutions for the needs of Roma members of various local communities.
- Mobilising the Roma (leaders, activists, NGOs etc.) in order to accomplish the objectives of the Strategy for Improving Roma Condition.
- Ensuring permanent liaison with the representatives of local public administration.
- Flagging the main problems that can be solved through the involvement of local public authorities.
- Facilitating partnerships between the Roma and the local authorities, with a view to designing and implementing projects and programs aimed at the Roma.
- Collaboration with the decentralised institutions of central public administration in fields such as education, health, respect for law and public order, nondiscriminatory access to employment and social services etc.
- Mediating possible tensions and conflicts within the community or between communities, including inter- and/or intra-ethnic conflicts.
- Active involvement in the proper organisation and operation of the Joint Working Groups established in each county.
- Drawing up and submitting regular reports to the Ministry of Internal Affairs and Administrative Reform and the JCommittee.

**Local experts (councilors) for the Roma** work within town halls and mayor's offices. Local experts (councilors) are responsible for the local development (in communes, towns etc.) of actions aimed at improving the condition of the Roma; the local councilors are subordinated both the CORs and to the mayor's office.

*Relevant national/local policies in the field*

**The Strategy for Improving the Condition of the Roma** was adopted by the Government of Romania in April 2001. Its elaboration and implementation received PHARE support and enjoyed large participation of Roma civil society. Implementation of the Strategy was initially co-ordinated by the Ministry of Public Information through the National Office for Roma (NOR). Further to various changes over time and following the Government Emergency Ordinance no 78/2004, the newly established National Agency for Roma (NAR - under the Secretariat General of the Government) is in charge of the implementation and monitoring of the Strategy. A Joint Committee

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for Implementing and Monitoring the Strategy, comprising State Secretaries representing the ministries responsible for implementing the Strategy and Roma NGO leaders, was created to ensure coherence between sectors and support in all fields of the Strategy. The Ministerial Commission for Roma (MCR) within each ministry has been made responsible for the implementation of the sector strategies.

The Strategy is based on the principle of decentralisation in the implementation and includes a medium-term master Plan of Measures stipulating concrete actions with timeframes and clear responsibilities for the institutions involved. The Plan of Measures covers the following sectors: community development and administration, housing, social security, health care, economy, justice and public order, child welfare, education, culture and denominations, and communication and civic involvement.

In view of preparing full participation of Romania in the open method of coordination on social inclusion upon accession, the Government of Romania has drawn up a **Joint Inclusion Memorandum (JIM)**, with support from the European Commission (DG Employment, Social Affairs and Equal Opportunities). The Memorandum outlines the principal challenges in relation to tackling poverty and social exclusion, presents the major policy measures taken by Romania and identifies the key policy issues for future monitoring and policy review. Progress in implementing such policies will be assessed in the context of the EU social inclusion process, the aim of which being to make a significant impact on the eradication of poverty in Europe by 2010. Specifically, the priority to finalise the implementation of the Government Roma Strategy, promote the social inclusion of the Roma community and continue fighting discrimination are included amongst the immediate policy priorities of the Joint Inclusion Memorandum to be adopted by the Government and the EC in relation to tackling poverty and social exclusion.

At the beginning of 2005, Romania also officially launched the **Decade of Roma Inclusion (2005-2015)**, a joint initiative of eight countries in Central and South Eastern Europe and focused on closing the gap between Roma and non-Roma in a limited number of key sectors over a ten-year period. The Decade (supported by OSI, the World Bank, UNDP, OSCE and CoE) brings together representatives from the participating countries with significant Roma populations, who are in the process of establishing national goals, targets and indicators in four key areas (education, employment, health and housing - with discrimination, gender and income poverty as cross-cutting issues). The Decade for Roma Inclusion was launched in Romania in February 2005 and enjoyed large participation of institutions involved and Roma civil society. On this occasion, main issues of concern under the main four areas of focus of the Decade were raised and discussed.

### *Foreign funding*

Main EU-financed programmes targeted at the roma community (with a focus on rural communities) include:

- The 1998 PHARE Programme, which supported the elaboration of the National Strategy for Improving the Condition of the Roma; also, a number of 40 NGOs' pilot-projects (selected from a total number of 334 applications) were financed: 11 came from the Roma NGOs, 12 from other NGOs, 13 from the part of the local municipalities and 5 from the other public institutions;
- The 2000 PHARE Programme, "The Civil Society Development 2000" through which a number of 36 projects were financed (from a total amount of 300 initial applications) covering the following fields of intervention: public administration and local development, health, social assistance, communication and civic participation;
- The 2001 PHARE Programme, financed by the EU (7 MEURO) and the Romanian Government with (a contribution of 1.3 MEURO co-finance support) "Access to education for Disadvantaged Groups with focus on Roma" was implemented in 10 counties by the Ministry of Education and Research and developed its set of activities in other 15 counties by the intermediate of the 2003 PHARE programme, "Access to Education for disadvantaged groups" (its total amount covers 11.33 MEURO);
- The 2004 PHARE called "Support for National Strategy for Improving the Condition of the Roma" had an allocation of 56.65 BN. ROL (1,6 MEURO) and it was provided and managed within a governmental programme entitled "Partnership for Roma Support 2003". The programme targeted the local public authorities working on the improvement of Roma condition and used a project-based approach. The programme financed 27 projects in the fields of housing and small infrastructure, income generating activities and field acquisition for developing agricultural activities;
- On 6 September 2004, United Nations Development Programme (UNDP) Romania launched the first pilot Social Support Center for Roma Communities in Marasesti, Vrancea County. The project is supported by the Swedish Government and implemented in partnership with the Government of Romania, through the Department for Inter-Ethnic Relations/Office for Roma Issues (the current National Agency for Roma), the Prefect's Office of Vrancea County, the Mayor's Office in Marasesti, and United Nations Population Fund

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(UNFPA). The project supports the implementation of the Government Strategy for Improving the Situation of the Roma. The project aims at stimulating and involving the Roma in identifying and solving the problems they are facing so that they can become an active part of their own social integration process. This project also takes actions to eliminate the prejudices and negative stereotypes aiming to increase the access of the Roma to the public services.

- The Project Implementation Unit (PIU) within the National Agency for Roma - PHARE Programme 2002, "Support to the Strategy for improving the Roma condition", totalling 7.6 MEURO (including the 1.6 MEURO Romanian Government contribution). The programme had two major components: the first one, amounting for 1.2 MEURO, aimed at strengthening the institutional capacity of the structures implementing the "Strategy for Improving the Condition of the Roma" and to build active partnerships between Roma representatives and public institutions in order to be able to jointly design and implement projects in the following fields: housing and small infrastructure, vocational training, income generating activities and access to health services; the second component, amounting for 4.8 MEURO, was set to offer financial support for the projects proposed by the previously trained local authorities and Roma organizations and other stakeholders in order to sustain their calls for proposals in the fields of action above-mentioned. Thus, there were selected and financed a number of 65 applications from a total amount of 531 proposed projects as follows: 17 projects in the health field (647.196 Euros), 34 projects in the field of vocational training and income-generating activities (1.482.908 Euros) and 14 projects in the field of housing and infrastructure (2.189.834 Euros).
- Phare Implementing Units within the National Agency for Roma and the Ministry of Education and research has successfully developed a new programme to be co-financed within the PHARE Multiannual Programme 2004-2006, minorities sector that will promote actions in the following fields of action (stipulated in Strategy): community development, housing, education, healthcare, communication and civil involvement. The Multiannual Phare programme 2004-2006 has two priorities: "Strengthening the institutional capacity and partnership building in order to improve the Roma living Condition and their image" and "Improving the access to education for the disadvantaged groups".

### *Effects of national/EU policies*

#### (a) Impact in terms of increased **employment**

The National Agency for Employment (NAE) within the Ministry of Labour, Social Solidarity and Family organised job fairs for Roma ethnics in 2003, 2004 and 2005. The job fair organised on 23 April 2004 had 9845 attendants; the outcome of the job fair was the following:

- 11,304 jobs were available for the Roma and 268 jobs were available for persons at risk of social marginalisation, according to Law 116/2002.
- The job fair was attended by 9,845 Roma persons, out of which 4,180 were selected for future employment. 2,257 Roma persons were employed on the spot following various tests taken during the job fair.

In 2005, the job fair for Roma ethnics was organised on 13 May and attended by 8,239 persons.

Total number of jobs available: 8,779, out of which 7,857 jobs for Roma ethnics and 68 jobs for beneficiaries of Law 116/2002.

Total number of persons selected for future employment: 2,715, out of which 2,243 were Roma.

Total number of positions filled: 1,266, out of which 1,129 were taken by Roma ethnics.

#### (b) Impact in terms of improved **health condition**

The new institution of the health mediator is the outcome of a durable partnership concluded since 1997 between institutions of the central and local administration, on the one hand, and Roma civil society, on the other hand. As of May 2005, 175 health mediators had been employed and more than 104 persons had been trained to work as health mediators in the near future. Their training was provided by the Roma Center for Social Intervention and Studies (Romani CRISS) in partnership with County Public Health Directorates. Training for health mediators was also provided through Phare projects in course of development in 2005.

The health mediator's task is to liaise between the Roma in local communities and the healthcare system; particular attention is paid to the registration of disadvantaged persons, Roma included, with a GP.



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Several partnership and collaboration agreements have been signed between the Ministry of Health and County Directorates for Public Health, on the one hand, and Roma organisations (e.g., Social Democrat Roma Party, Romani CRISS etc.) on the other hand.

The measures specified in the Strategy for Improving the Condition of the Roma are implemented via National Health Programs; out of all these measures, it is only the objective of employing health mediators in Roma communities that has a separate budget line. An amount of 5.2 billion ROL was allocated in 2003 for the employment expenses of health mediators. An amount of 14.5 billion ROL was allocated in 2004 for the same objective.

The Ministry of Health maintains that it is difficult to calculate the forecast for the other measures listed in the Strategy, because the efficiency indicators of National Health Programs are not broken down according to ethnic criteria.

(c) Impact in terms of better **social security**

At central level, the main responsibility related to this important chapter of the Strategy is incumbent upon the Ministry of Labour, Family and Equal Opportunities (former Ministry of Labour, Social Solidarity and Family - MLSSF, whose task it is to enforce the legislation on preventing and fighting social marginalisation, on unemployment benefit and the state support system, on enhancing employment, on the guaranteed minimum income, on the national welfare system, on supporting lone parent families, on foster child allowance and child allowance, on emergency relief contributions etc. Romanian legislation provides for a comprehensive framework for the partnership between the central level, the local level and civil society within the national welfare system. Since 2002, each County Welfare Directorate has appointed / employed a person whose task is to collaborate with town halls and prefectures in order to identify the main problems faced by the Roma at the local level.

Via MLSSF and its Directorates for Labour and Social Solidarity in each county and in Bucharest, Romanian citizens of Roma ethnic affiliation can benefit from legal state support such as: the child allowance, the supplementary allowance for families with children, the maintenance allowance for fostered children, social support (according to the law on the guaranteed minimum income), heating allowance, the allowance for newly born babies, emergency relief, financial support (under the legal provisions regulating the National Solidarity Fund), subsidies for associations and foundations that establish and manage welfare units and facilities etc.

In compliance with the Strategy, Ministry of Internal Affairs and Administrative Reform territorial structures have been issuing identity papers and election cards for Romanian citizens of Roma ethnic affiliation. At the end of March 2005 the situation was as follows:

**Table 4. Identity papers and election cards for the Roma**

Having civil status /identity papers		
• estimated number of persons with no identity papers before the action	375	6375
• registered since the outset of the action	9197	78370
• status regulated since the outset of the action	9049	80092
• registered persons, status uncertain	523	4653

Source: Ministry of Internal Affairs

(d) Impact in terms of better access to housing

Former Ministry of Administration and Internal Affairs has prepared several fiches describing the housing facilities and utilities in local communities with a significant Roma population. The data pooled in these fiches were received from mayor's offices and prefectures and were taken into account in drafting the National Housing and Environment Rehabilitation Plan elaborated by MAIA in collaboration with the former Ministry of Transport, Construction and Tourism (MTCT). The programme is to be developed over the next 10 years and it includes a 4-year emergency measure plan for the rehabilitation of houses and areas inhabited by a significant number of Roma.

MTCT has also prepared another programme of governmental and/or partnership funding for state-owned and/or private companies and NGOs that develop projects for the improvement of utilities (power, drinkable water, sewage, gas supply, public sanitation etc.) in communities with a large number of Roma members. Below is a brief description of the measures taken by MCTC and its achievements in compliance with the provisions of the Master Plan of Measures related to its area of responsibility: the governmental program for water supply in rural areas,

approved under Governmental Decision HG 577/1997 (42 villages took delivery of water supply systems during the reporting period); the governmental program for water supply and social housing in rural areas approved under Governmental Decision HG 687/1997 and HG 1036/2004; the programme for rehabilitating (cobbling) village roads, approved under Governmental Decision HG 577/1997 and HG 226/ 2003; the programme of social housing (new buildings and rehabilitation) according to the Housing Act 114/1996 with subsequent amendments and to Governmental Decision HG 687/1997, with 1880 housing units delivered during the reporting period; the rent-based youth housing programme (10017 housing units delivered during the reporting period).

MAIA also states that about 95 620 Roma families who do not own agricultural land have been identified in rural areas.

(e) Impact in terms of better access to **education**

Among the educational programs for the Roma can be mentioned:

- Maintaining the position of inspectors for Roma education within the structure of county school inspectorates.
- Allocating separate places for Roma graduates of the 8th form in professional and technical institutes of secondary education (for 2005 – 2006). In 2004 – 2005, 2500 Roma students had been admitted.
- The provision of distinct places in various faculties and colleges for young Roma high-school graduates, exempted from the payment of tuition fees (the number of places allocated for the academic year 2005 – 2006 was the same as last year – 398).
- In 2004-2005, the University of Bucharest, through its Open Distance Learning Department, CREDIS, made available a number of 83 paid tuition places for the training of Roma teachers of Romany (the programme had been initiated by the Ministry of Education and Research in 2000, in partnership with the University of Bucharest and CEDU 2000). Roma students at CREDIS also work as teachers of Romany and/or Roma history and traditions at their local schools. The University of Bucharest will continue this training programme in 2005 – 2006, both for Romany teachers and for teachers of both Romany and Romanian, in the framework of a new partnership concluded between CREDIS and the Faculty of Foreign Languages and Literatures. Romany language and literature, which could only be studied as a minor at the University of Bucharest, can be taken as a major starting with the academic year 2005 – 2006 (the ministry allocated 10 places and the University of Bucharest allocated 5 places).
- In 2004-2005, county school inspectorates funded 402 chairs of Roma language and history, staffed by the young Roma who teach these subject matters.
- The study of Romany as a mother tongue was continued and enhanced in 2004 – 2005. A number of 24010 Roma students opted for the additional Roma curriculum (out of the almost 200 000 Roma students who identify themselves as Roma and attend school, 19812 students chose to study Roma language and literature for 3-4 hours per week, while 4198 students opted for Roma history and traditions).
- Review and design of Roma language curricula (grades 1 to 4) and Roma history and traditions curricula (grades 6 to 8), by Roma authors. Elaboration and approval of Roma language and literature curricula for grades 9 and 10.
- Second editions of two Romany course books were funded by the ministry for the 2005 – 2006 school year.
- The ministry provided funding for three new course books on Roma language and literature, for grades 1 to 3, and for a course book on Roma history and traditions for grades 6 and 7.
- Romany-only teaching was extended (one more class since September 2004). For the first time in the Romanian educational system, a Romany-only class was established in Timis County.
- Starting with the 2004-2005 school year, a bilingual Romany-Romanian curriculum is to be experimented in a Roma kindergarten in Calarasi County (an initiative of S.A.T.R.A – Astra, funded by UNICEF and supported by a partnership between MER and the County School Inspectorate of Calarasi).

## 6. Conclusions

Poverty and social exclusion in rural areas from Romania constitute complex phenomena to identify and combat, because of two main blocks of reasons:

- A. the particular characteristics of rurality as well as the wide variety of determinants for poverty and social exclusion;
- B. the vague and rather unstructured policy approach.

### A. Poverty and social exclusion in rural areas. Assessment for Romania

Rural sociologists speak about “the drawback of agriculture to an archaic model”, both from the point of view of endowments and the access to various markets, given the severe split up of land into small pieces of property that can not reach the break-even point. The communist regime left an unfortunate inheritance of vast mono-agricultural areas with a dilapidated infrastructure in many parts of the country and with many villages deprived of elementary prerequisites for a decent standard of living (potable water, electricity, etc.).

The amplitude of the phenomenon lies on two main directions:

- (i) the dimensions of rurality correlated with the under-development of agriculture: 93.7% of the Romanian territory is rural and hosts 47% of the Romanian citizens. Although 40% of the labor force is employed in activities located in rural areas, the contribution of agriculture to the GDP amounts for only 13.4%;
- (ii) the wide variety and persistence of drivers: age and education; types of activities performed; location and location-incorporating factors; capital; gender; ethnicity; infrastructure, access and utilities.

In addition to these “traditional” drivers it is worth mentioning the rather new phenomenon of migration abroad with its two facets – increase in income and share of remittances in the GDP on one hand and high rates of family disintegration, school leaving and juvenile crime on the other hand.

### B. The policy mix and policy approach

1. National policies in the field of agriculture and rural development have contributed, to a certain extent, to increasing accessibility to some of the rural areas by means of improved road infrastructure and improved living conditions by increasing access to some of the utilities;
2. Pre-accession financing from the SAPARD programme has been difficult to access for small producers with low income because they were not able to get the relevant information, to prepare project proposals and to advance payments. Thus, the gap between the poor and the wealthy deepened.
3. When drawing the national strategic documents for agriculture and rural development for 2007-2013, Romanian authorities should pay attention to an optimum allocation between: infrastructure, competitiveness-oriented measures, environment-oriented issues and social inclusion issues.
4. Suggestions for ensuring a high absorption rate and balanced (non-polarized) access to financing also for the poor, deprived categories of people: incorporation into the Rural Development Plan of support for information and consultancy dedicated to rural actors (capacity building initiatives); facilitation of credit access for providing advance payment if the case be; provision of the amount of budgetary resources necessary to ensure the matching with Community funds.
5. Romanian authorities should design a policy mix and adopt a synergic approach for combating poverty and social exclusion in rural area. Such a mix should include and coordinate: agriculture and rural development policies, education policy, employment and social inclusion policy. Special attention should be paid to the multiple discrimination phenomenon affecting the Roma.

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## Annex - Examples of Good Practices

### GOOD PRACTICE N. 1: Knowledge-Based Economy Project – Romania. A World Bank Programme

#### National context

The Government of Romania, through the Ministry of Communications and Information Technology (MCIT) has received a loan from the World Bank for financing the Knowledge Economy Project (KEP). The project aims at supporting knowledge-driven activities at the national level, with a focus on accelerating the participation of knowledge disadvantaged communities from rural areas in the knowledge economy and society.

#### Type of social exclusion issues addressed

Social exclusion (determined by geographical remoteness, difficult access to information, poor road and other utilities infrastructure, missing ICT infrastructure in the above-mentioned rural areas). The targeted 250 communities of this project are mainly located in remote rural areas, confronted with, very poor access roads and other utilities (ICT herewith included), poor access to information and knowledge and are therefore considered as "knowledge disadvantaged communities".

#### Areas and sectors

ICT (Information-Communication-Technology) in the area of e-government and e-learning in communities from rural areas and small municipalities.

#### Object of intervention

Establishment of a total of 250 Local Communities e-Networks (LCENs) through which communities will be offered access to knowledge through a number of services and technologies, including computers, Internet and communication services and specific content provision for different target groups (citizens, businesses and pupils) in rural and small urban communities. In order to serve these clients, LCENs will have multiple nodes (school, library, public administration and a Public Point of Access to Information – PPAI) in each community, which will be linked virtually.

#### Donor

The World Bank, through the "Knowledge Economy Project"

#### Implementing body

The Ministry of Communication and Information Technology through a dedicated Project Implementing Unit.

#### Policies

- policy for combating social exclusion of remote rural communities;
- policies in the field of human resources development;
- policies for broadening the use of IT and developing a knowledge-based economy.

## Channels

The communities will have access to innovation through a number of channels such as technologies, including computers, Internet and communication services. Main intermediaries will be schools, local public authorities and the public points for access to information.

## Stakeholders

- Local community members
- Local public authorities
- Education institutions
- Cultural institutions
- Companies that develop their activity in the local communities
- Non-governmental organizations

## Incentives

- Modern communication services (including e-mail, Internet, telephone, fax, etc);
- Support for business and community development;
- Improvement of education (in schools) for children and youths;
- Guaranteed access to information for all citizens and business in local communities;
- Low cost access to electronic services of the local administration.

## Sustainability

The Project is expected to ultimately contribute to the development of an information society in the remote rural communities, better prepared to integrate and compete within the EU. The Project is expected to improve the quality of government services, as well as to create an enabling business environment, especially to support the development of new Micro, Small and Medium Enterprises (MSMEs). Cost-saving efficiencies will be generated through implementation of transparent e-Government services, while the employment of ICT and Internet services will contribute to improving the quality of access to education in primary and lower secondary schools.

## Links to documentation

Ministry of Communication and Information Technology, Knowledge Economy Project Management Unit

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Link: <http://www.economiatate.ro/index.php?limba=en>

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Summary table. Knowledge-Based Economy Project World Bank Programme

Reconstruction of the context	<p>The targeted 260 communities are mainly located in remote rural areas, confronted with poor access to information and knowledge and are therefore considered as "knowledge disadvantaged communities".</p> <p>Access roads and other utilities (ICT herewith included) are very poor, school population is decreasing, many of the schools are threatened to be closed because of lack of teachers and falling birth rates.</p> <p>The local institutional context is nevertheless favourable to such initiatives, in the sense that main local stakeholders (Local community members, Local public authorities, Education institutions, Cultural institutions, Companies that develop their activity in the local communities, Non-governmental organizations) are fully supporting this initiative.</p>
Summary description of the practice	<p>The Government of Romania, through the Ministry of Communications and Information Technology (MCIT) has received a loan from the World Bank for financing the Knowledge Economy Project (KEP). The project aims at supporting knowledge-driven activities at the national level, with a focus on accelerating the participation of knowledge disadvantaged communities from rural areas in the knowledge economy and society.</p> <p>Main policies targeted: policy for combating social exclusion of remote rural communities; policies in the field of human resources development; policies for broadening the use of IT and developing a knowledge-based economy.</p>
Characteristics of the practice	<p>Establishment of a total of 260 Local Communities e-Networks (LCENs) through which communities will be offered access to knowledge through a number of services and technologies, including computers, Internet and communication services and specific content provision for different target groups (citizens, businesses and pupils) in rural and small urban communities. In order to serve these clients, LCENs will have multiple nodes (school, library, public administration and a Public Point of Access to Information – PPAI) in each community, which will be linked virtually.</p>
Results of the practice	<p><u>Targeted results:</u> Modern communication services (including e-mail, Internet, telephone, fax, etc); Support for business and community development; Improvement of education (in schools) for children and youths; Guaranteed access to information for all citizens and business in local communities; Low costs access to electronic services of the local administration.</p> <p><u>Sustainability:</u> The Project is expected to improve the quality of government services, as well as to create an enabling business environment, especially to support the development of new Micro, Small and Medium Enterprises (MSMEs). Cost-saving efficiencies will be generated through implementation of transparent e-Government services, while the employment of ICT and Internet services will contribute to improving the quality of access to education in primary and lower secondary schools.</p>

## GOOD PRACTICE N. 2: Economic Empowerment of Rural Women - Romania. A UNDP Programme.

### National context

UNDP, the UN's global development network, is focused on improving the living conditions of the poor, based on a national strategy in Romania and also contributes to Millennium Development Goals (MDGs). UNDP Romania addresses poverty reduction among vulnerable groups - Roma, rural women, youth (including post-institutionalized), people living with AIDS - through employment generation and specific interventions to promote social inclusion. The above mentioned project targets a particularly vulnerable group, rural women, as they suffer from double discrimination: the one generated from their location in rural areas and the one derived from gender imbalances.

Rural women experience economic isolation in Romania. The lack of a strategy for local economic empowerment of women is another reason limiting equal opportunities as concerns resources, employment and trade. Inefficiently prepared to cope with the changing economic environment, women are discouraged, and they are the most vulnerable concerning the consequences of the transition process in Romania. In addition, even if there are efforts underway to create alternative job opportunities in rural areas, these do not match the needs. Consequently, the identification of efficient means to generate employment in rural areas has become a priority for the Government and international organizations.

### Type of social exclusion issues addressed

Social exclusion (determined) by location (rural areas) and by gender imbalance.

### Areas and sectors

Small food-processing businesses in the rural areas for fostering the entrepreneurial potential and perspectives of rural women.

### Object of intervention

Economic empowerment of rural women by helping them set up and run small food-processing businesses. The project has created a model for the promotion of gender-sensitive development services to women entrepreneurs in rural areas, which can be replicated in other parts of the country. It serves as a means to generate increased employment in a decentralized manner, and to build local technological capacity. Four demonstration units are already operating on a self-sustainable basis in Sagara (Buzau county) - vegetable processing, and Negresti (Vaslui county) - a dairy; in Comana (Giurgiu county) - a bakery, and Cuzc-Weia (Calarusi county) - food packaging unit.

### Donors

UNDP core resources

Cost sharing (JWIDP)

Other (Trust Fund) - UNIFEM



## Implementing body

The Ministry of Agriculture, Food and Forests

## Policies

- policy for combating social exclusion of rural communities;
- policies for promoting gender balance.

## Partners

- United Nations Development Fund for Women (UNIFEM)
- Japan Women in Development Fund (JWIDF)
- Ministry of Agriculture, Food and Forests
- Department for Rural Development
- Ministry of Labour and Social Solidarity
- Romanian Social Development Fund (World Bank)

## Objectives:

1. Establishment of an effective mechanism to select and support communities as demonstration unit sites;
2. Strengthening the capacity of women in the selected rural areas to successfully run businesses;
3. Increasing the understanding of local/national government, NGOs and donor communities on the range of possible strategies in support of rural women

## Results

On 10 July 2003 UNDP launched a bakery in Gurdăstoa village that employs 10 women who will produce bread for the five villages that compose Comana commune in Giurgiu county. Unemployed women from Florosica village, Vădelele Commune in Calarasi County became entrepreneurs upon the inauguration of SC VICORA FEMINA SRL, a packaging and distribution unit for agricultural and food products.

The women entrepreneurs are equal partners in the company, thus facilitating the decision making process and contributing to an efficient management. They received technical training from the equipment supplier as well as basic economic training in business management, strategies, promotion, team work, finance, and contracting.

## Replication potential

During the concluding phase of the project (June - September 2004), the project has analyzed the results with a view to replicating the model at a larger scale.

There were three components within this phase:

1. a study tour by the women from the units in Comana and Vădelele to a county with similar ongoing programmes in order to share best practices;
2. a national workshop of Government representatives and other facilitators who have discussed achievements and future initiatives in rural development;
3. a round-table aimed at sharing the results of the project with all interested parties and mass-media and at identifying efficient means to further generate employment in other rural areas.

UNDP has declared this project as an example of best practice.

## ROMANIA

Summary table. Economic Empowerment of Rural Women in Romania project. UNDP Programme

Reconstruction of the context	Rural women experience economic isolation in Romania. The lack of a strategy for local economic empowerment of women is another reason limiting equal opportunities as concerns resources, employment and trade. Insufficiently prepared to cope with the changing economic environment, women are discouraged, and they are the most vulnerable concerning the consequences of the transition process in Romania. In addition, even if there are efforts underway to create alternative job opportunities in rural areas, these do not match the needs. Consequently, the identification of efficient means to generate employment in rural areas has become a priority for the Government and international organizations.
Summary description of the practice	The project has aimed at providing economic empowerment of rural women by helping them set up and run small food-processing businesses. The project has created a model for the promotion of gender-sensitive development services to women entrepreneurs in rural areas, which can be replicated in other parts of the country. It serves as a means to generate increased employment in a decentralized manner, and to build local technological capacity. Four demonstration units are already operating on a self-sustainable basis in Săgeata (Buzău county) - vegetable processing, and Negrești (Vaslui county) - a dairy; in Comana (Giurgiu county) - a bakery, and Cuza-Vodca (Călărași county) - food packaging unit.
Characteristics of the practice	This practice could be considered as purely innovative for Romania from 3 points of view: <ol style="list-style-type: none"> <li>1. Establishment of an effective mechanism to select and support rural communities;</li> <li>2. Strengthening the capacity of women in the selected rural areas to successfully run businesses, thus improving considerably their social and welfare status;</li> <li>3. Raising awareness of the local/national government, NGOs and donor communities on the range of possible strategies in support of rural women.</li> </ol>
Results of the practice	<u>Results:</u> On 30 July 2003 UNDP launched a bakery in Gradistea village that employs 10 women who will produce bread for the five villages that compose Comana commune in Giurgiu county. Unemployed women from Floroiești village, Valelele Commune in Călărași County became entrepreneurs upon the inauguration of SC VICORA FEMINA SRL, a packaging and distribution unit for agricultural and food products. The women entrepreneurs are equal partners in the company, thus facilitating the decision making process and contributing to an efficient management. They received technical training from the equipment supplier as well as basic economic training in business management, strategies, promotion, team work, finance, and contracting. <u>Sustainability:</u> During the concluding phase of the project (June - September 2004), the project has analyzed the results with a view to replicating the model at a larger scale. There were three components within this phase: <ol style="list-style-type: none"> <li>1. a study tour by the women from the units in Comana and Valelele to a country with similar ongoing programmes in order to share best practices;</li> <li>2. a national workshop of Government representatives and other facilitators who have discussed achievements and future initiatives in rural development;</li> <li>3. a round-table aimed at sharing the results of the project with all interested parties and mass-media and at identifying efficient means to further generate employment in other rural areas.</li> </ol> UNDP has declared this project as an example of best practice.

### **GOOD PRACTICE N. 3: Social Assistance in Rural Areas (Lipovu and Dranic communities in the Dolj county) - Romania**

#### **National context**

The Government of Romania has entrusted the management of Phase Civil Society component to an NGO – *Foundation for Civil Society Development*, in charge with assessing and monitoring projects aimed at supporting (dis)advantaged social categories. This was set up as a priority in the programming documents of the pre-accession EU financial assistance for Romania, particularly for the Roma, the disabled and the post-institutionalized persons.

#### **Local context in the targeted communities**

**Lipovu community** – The Roma community exceeds 45% of the total population. Currently, over 1500 Roma people live in this poor rural community. 70% of the pupils attending the local schools in the area are Roma, but still there is a high rate of school abandon among them. Children are confronted with a high risk of illness given their low living standards, poor vaccination programmes, lack of hygiene and hygiene knowledge. As for adults, only one third of them have a constant job, out of which only half carry out qualified activities. There is a strong need to pass over the stereotypes regarding Roma employment and broaden their employment opportunities also to non-traditional jobs.

**Dranic community** – There is a high percentage of post-institutionalized young people, which is why a special centre for their rehabilitation has been created in this location. These young people are confronted with a high risk of unemployment and juvenile delinquency. Activities in this centre hosting 15 young people aim at their social reintegration through vocational training and mediation in the labor market.

#### **Type of social exclusion issues addressed**

Multiple social exclusion caused by the location in two poor rural areas as well as by additional factors (ethnicity and post-institutionalization).

#### **Areas and sectors**

Training services (school education, education for health, vocational training); setting up of micro-farms for ensuring sustainability after the project and a carpenter workshop in Lipovu.

#### **Object of intervention**

Consolidation of the social assistance system in two (dis)advantaged rural communities from the Dolj county, Romania, through:

1. Setting up the premises for financial autonomy of the two centres that the Applicant (Vasilich NGO) has in the Dranic and Lipovu communities;
2. Developing the education and training component of the Centre "Romauxo - Kher" (Roma House) in Lipovu and the Centre "Samuel House" in Dranic;
3. Developing the system of education for health in the Lipovu and Dranic Centres.

**Donor**

The European Commission; the Government of Romania, Ministry of Public Finance, through the Phare Civil Society Consolidation Programme, Access Component

**Implementing body**

Vasilich Association, functioning under the auspices of the Archdiocese of Craiova, Mitropolia of Oltenia

**Policies**

- policy for combating social exclusion of remote rural communities;
- policy for combating social exclusion of the Roma people;
- policy for fostering the social and economic integration of the post-institutionalized young people;
- policies in the field of human resources development.

**Partners**

- Vasilich Association;
- The Regional Centre for Adults Vocational Training in Dolj County;
- Red Cross National Society from Romania – Dolj Branch;
- Archdiocese of Craiova;
- Local church in Lipova;
- Local community members;
- Local public authorities in the two communities;
- Education institutions;
- Non-governmental organizations.

**Target groups and direct beneficiaries**

- 24 pre-school Roma and Romanian children from Lipova that will attend the kindergarten;
- 36 school Roma and Romanian children, with poor results, that will attend basic literacy courses;
- 20 Roma and Romanian families from Lipova that will benefit from improved hygienic and sanitary services;
- 30 Roma and Romanian adults from Lipova that will attend vocational training courses (tailors, carpenters and the use of PC);
- 50 Roma families from Lipova that will receive juridical assistance to get their personal identification papers;
- 15 post-institutionalized young people who will be guided within the Droaic centre and will attend vocational training courses.

**Main activities in Lipovu Community**

1. Extending and increasing the Centre capacity;
2. Setting up the kindergarten "Anzure Save" – "Our children";
3. Setting up a functional computer room;

4. Correlated programmes for the beneficiaries (food programme, basic literacy, vocational training);
5. Training for the qualification of tailor;
6. Setting up a recreation space for the beneficiaries;
7. Healthcare services;
8. Counselling services;
9. Setting up a micro-farm in Lipova;
10. Setting up a carpenter workshop;
11. Training the staff of the centre on fund-raising alternatives.

### Main activities in Dranic Community

1. Setting up a micro-farm in Dranic;
2. Counselling for getting a job;
3. Training courses for the use of PC;
4. Sanitary education;
5. Training the staff of the centre on fund-raising alternatives.

### Sustainability and possibilities of replication

- a) financial sustainability: the micro-farms will provide most of the necessary food for the beneficiaries of the 2 centres and could even generate a surplus. Carpenter and tailor workshops are also likely to generate income. Fund raising campaigns are also envisaged;
- b) institutional sustainability: Vasilie's Association will support the functioning of the two structures; local ownership is to be ensured by the active involvement of all the local stakeholders in the functioning of the two centres;
- c) sustainability at policy level: Vasilie's Association has elaborated a plan of action for the rural Roma communities with 4 modules (school education, professional training, sanitary education and clarification of the juridical status of the Roma) that can be further replicated at regional and national levels.

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## ROMANIA

Summary table. Social Assistance in Rural Areas Project

Reconstruction of the context	<p>Lipovu community – The Roma community exceeds 45% of the total population. Currently, over 1500 Roma people live in this poor rural community. 70% of the pupils attending the local schools in the area are Roma, but still there is a high rate of school abandon among them. Children are confronted with a high risk of illness given their low living standards, poor vaccination programmes, lack of hygiene and hygiene knowledge. As for adults, only one third of them have a constant job, out of which only half carry out qualified activities. There is a strong need to pass over the stereotypes regarding Roma employment and broaden their employment opportunities also to non-traditional jobs.</p> <p>Dranic community – There is a high percentage of post-institutionalized young people, which is why a special centre for their rehabilitation has been created in this location. These young people are confronted with a high risk of unemployment and juvenile delinquency. Activities in this centre hosting 15 young people aim at their social reintegration through vocational training and mediation in the labour market.</p>
Summary description of the practice	<ol style="list-style-type: none"> <li>1. Setting up the premises for financial autonomy of the two centres that the Applicant (Vasiliada NGO) has in the Dranic and Lipovu communities;</li> <li>2. Developing the education and training component of the Centre "Romano - Kher" (Roma House) in Lipovu and the Centre "Samuel House" in Dranic;</li> <li>3. Developing the system of education for health in the Lipovu and Dranic Centres.</li> </ol>
Characteristics of the practice	<p>The practice can be considered innovative as it replaces the traditional charity work with a more sophisticated, capacity building programme, which is likely to be sustainable and replicable, by providing:</p> <ul style="list-style-type: none"> <li>- Education services at kindergarten and school level;</li> <li>- Developing computer literacy skills for adults;</li> <li>- Training for the qualifications of tailor and carpenter;</li> <li>- Sanitary education;</li> <li>- Healthcare services;</li> <li>- Counselling services;</li> <li>- Setting up micro-farms to ensure self-financing and to develop entrepreneurial behaviour;</li> <li>- Training the staff of the centre on fund-raising alternatives.</li> </ul>
Results of the practice	<p>Impact on the target groups:</p> <ul style="list-style-type: none"> <li>- 24 pre-school Roma and Romanian children from Lipovu who have attended the kindergarten;</li> <li>- 36 school Roma and Romanian children, with poor results, who attended basic literacy courses;</li> <li>- 20 Roma and Romanian families from Lipovu who have benefited from improved hygienic and sanitary services;</li> <li>- 30 Roma and Romanian adults from Lipovu who have got a qualification (tailors, carpenters) and/or developed their computer literacy;</li> <li>- 50 Roma families from Lipovu who have managed to get their identification papers;</li> <li>- 15 post-institutionalized young people who have been counselled in the Dranic centre and have attended vocational training courses.</li> </ul> <p>Sustainability and replication potential: Vasiliada Association has elaborated a plan of action for the rural Roma communities with 4 modules (school education, professional training, sanitary education and clarification of the juridical status of the Roma) that can be further replicated at regional and national level.</p>