



Youth Guarantee country by country

Romania
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Introduction and context

The [Youth Guarantee](#) has become a reality across the EU. It has facilitated structural reforms and innovation in policy design across EU Member States.

This document provides extracts from official Commission documents on the implementation of the Youth Guarantee in Romania. It contains extracts from:

- The country report drawn by the Commission for Romania in the context of the [European Semester](#);
- The conclusions of the thematic multilateral surveillance review of the [Employment Committee \(EMCO\)](#).
- Results from the data collection on Youth Guarantee schemes.

A section at the end of the document is devoted to the assessments made by the Commission the previous year.

Romania presented a [Youth Guarantee Implementation Plan](#) on 24 December 2013 and updated in September 2017.

Romania is eligible for the [Youth Employment Initiative](#).

Commission's assessment

From the 2020 country report (EN - RO):

“Positive labour market developments in Romania continue on the back of sustained economic growth but labour shortages persist. The labour market dynamics remain positive, with the employment at a record level of 70.8% in Q3 2019 (20), and the unemployment rate falling to 3.9%. However, differences in labour market outcomes remain between regions and population groups. On the back of the positive economic developments, labour market conditions remain tight, with labour and skills shortages. These are exacerbated by the decline in the labour force”

“Despite the overall positive labour market performance, a number of challenges remain. [...] At the same time, the percentage of young people not in education, employment or training (NEET), standing at 14.5% in 2018, is one of the highest in the EU. The activity rate (for ages 15-64 years) is still among the lowest in the EU, in particular for women (58.7% in Q3 2019, compared to 77.9% for men) and people with low educational attainment (43.8% in Q3 2019 vs 88.8% among those with high educational attainment). Activation measures are not fully effective, especially in the case of vulnerable groups. The weak functioning of social dialogue does not adequately involve social partners in the design and implementation of reforms.”

“Despite a slight improvement, inactivity remains high, with significant differences between age groups and across regions. The inactivity rate amounts to 31.6% (Q3 2019) of the overall population. Persistent high levels of inactivity are registered for women, young people aged 15-24 (71.17%), older people aged 55-64 (50.8%) and women aged 15-64 (41.7%) in Q3 2019. The inactivity gap between low- and high skilled youth remains high (43.3 pps)”

“Active labour market policies, mainly employment subsidies, have little impact on reducing inactivity. In 2019, the number of apprenticeship contracts taken-up increased to more than 6,150 from around 430 contracts in 2017, as subsidies to employers were doubled in 2018 (from RON 1,125 to RON 2,250). In addition, subsidies for employing people from disadvantaged groups also increased. However, the share of employed persons in the total of participants in active measures was only around 40%, 6 months after participating in the measure.”

“The percentage of young people neither in education nor in employment and training is among the highest in the EU. In 2018, 14.5% of young people (15-29 years) were neither in education nor in employment and training (NEET), compared to the EU average of 14.5%. More than a third of them were discouraged workers, short- and long-term unemployed (23). Despite the positive outcomes of some outreach measures, around 69% of NEETs remain inactive. In addition, a very high and increasing share of young people leave the country.”

“The gender gap in activity and employment remains high. [...] The lowest activity rates were recorded among younger (aged 15-24) and older women (aged 55-64). Approximately 12% of women were inactive due to personal and family responsibilities.”

“Acquisition of digital skills remains limited. The percentage of young people aged 16-19 who assess their digital skills as low is among the highest in the EU (39% compared to the EU average of 15% in 2019). Existing curricula, programmes and infrastructure do not sufficiently reflect the need to increase the pupils’ digital skills. The number of highly digitally equipped and connected schools in Romania is significantly below the EU average. As part of the E-Education 2023 strategy, Romania launched two major projects, ‘The computer system of Management of schooling’ and ‘The National Education Platform’ that should contribute to the digitisation of education in over 4,500 schools.”

“The urban-rural disparities create very high income and opportunity inequality across the population. [...] In 2018, the share of NEETs among the young rural resident population (15-24) is almost three times that of those living in cities (18.1% compared to 7%).”

For further youth-related matters please refer to the country report.

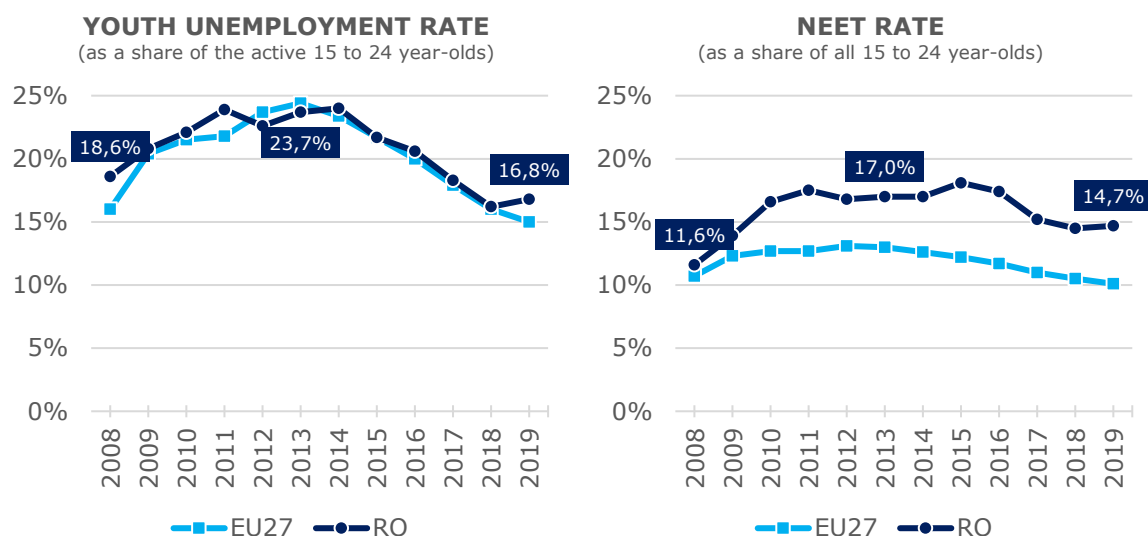
EMCO's assessment

Conclusions of the Employment Committee's multilateral surveillance review on youth employment, October 2019:

Romania is advancing in implementing the Youth Guarantee but a significant number of challenges remain. In general there have been limited improvements. The new INTESPO project is a positive development in terms of outreach, which remains a challenge, and its potential to improve personalised guidance and activation. This project, which has introduced an innovative approach by putting in place integrated teams which cover employment, education and social services, alongside improved profiling, might in turn improve the provision of tailor-made offers to youth. Significant effort has been made to improve the quality of offers but training does not yet match the needs of the targeted beneficiaries, especially for NEETs with a low level of education. Challenges also remain with regard to partnerships with employers, monitoring (especially of the effectiveness of measures undertaken), and needs for follow-up data regarding the Indicator Framework, on which more attention should be focused. To improve outreach, greater use of social media and web information could help improve coverage and information supply to inactive NEETs. If the INTESPO project leads to positive results and outcomes, care should be taken to translate it into more permanent mechanisms and services. In view of the high share of NEETs with low skill levels, and even though adequate second-chance education legislation is in place, further efforts are needed to provide tailor-made programmes, in order to allow youth to obtain basic qualifications and improve their employability. Regarding traineeships, legislation ensures adequate protection of trainees, and skills acquired during traineeships are certified, indicating a solid implementation framework.

Youth Guarantee monitoring – Key data¹

1. Main trends in young people's labour market performance



Source: Eurostat, LFS (une_rt_a, edat_ifse_20)

2. Youth Guarantee delivery

The Romanian Youth Guarantee Implementation Plan was presented in December 2013 and the scheme launched in January 2014. Measures to support the labour market integration of young people aged up to 25 revolve around three main reform pillars: 1) the modification of the unemployment insurance act, 2) the amended apprenticeship act and 3) a new traineeship act (targeted at higher education graduates).

Implementation is coordinated by the Ministry of Labour, Family, Social Protection and Elderly, in partnership with stakeholders (including business, civil society and unions). Young people can register through the PES and its territorial structures. A website <http://garantiapentrutineret.ro/> provides information on the scheme and relevant contact points.

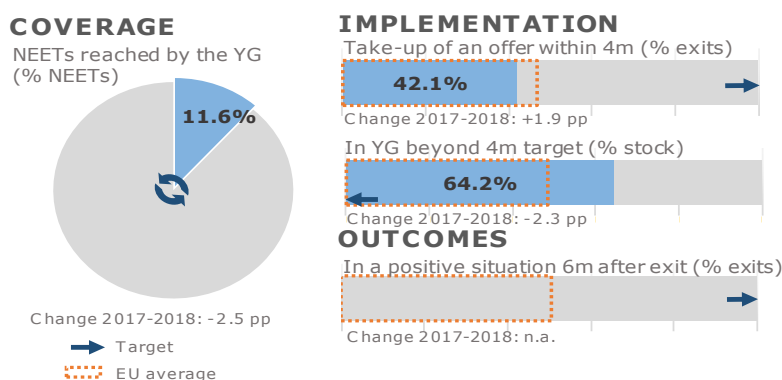
Further information is available in the Romanian Youth Guarantee Implementation Plan.

The Commission's 3-year assessment of the YG and YEI noted that key challenges in relation to implementation of the YG include improving the coverage of non-registered NEETs and increasing the take-up and impact of apprenticeships and traineeships².

¹ The information below is taken from the country fiche related to the Youth Guarantee Data collection (full results can be found on <http://ec.europa.eu/social/main.jsp?catId=1143&langId=en#YGIF>).

² <http://ec.europa.eu/social/BlobServlet?docId=16299&langId=en>

YG monitoring data 2017-18



Source: DG EMPL, YG monitoring database, data extracted 09 December 2019.
NEETs data were extracted from Eurostat, Labour Force Survey on 21 June 2019.

Almost two-thirds (64.2%) of those registered in the YG at any point during 2018 had been waiting for an offer for more than 4 months, slightly improved (decreased) since 2017 (- 2.3pp) but still well above the EU average of 48.6%

The proportion leaving to take up an offer within the 4-month target has also slightly improved (increased) from 40.2% in 2017 to 42.1% in 2018 but remains below the EU average of 46.7%.

Coverage of the NEET population remains poor and has slightly deteriorated compared to 2017 (- 2.5 pp), with only 11.6% of all NEETs aged 15-24 covered by the YG in 2018.

Although available in previous years, follow-up data were not provided for 2018.

Previous year

From the 2019 country report (EN - RO):

"Employment is growing but labour shortages continue to increase on the back of economic expansion. The employment rate has increased steadily for the past 5 years reaching 65.5 % in 2017, above the pre-crisis level of 64.4 %. The unemployment rate of 3.8 % in December 2018, was the lowest in a decade, pointing to a tight labour market. Meanwhile, the country continues to face serious adverse demographics (22) due to fast ageing (23), low birth rates and emigration."

"The continued emigration of the labour force challenges sustainable economic growth. In almost three decades Romania lost 23.3 % of its working-age population due to emigration (World Bank, 2018). The decrease in annual GDP growth due to emigration is estimated at 0.6 to 0.9 pps (IMF, 2016). Over 3 million people are estimated to have left the country, with the highest numbers leaving from the larger cities (Roman, 2018). Emigration from poor rural areas and of the young population (15-34 years old) is prominent in the Nord-Est and Sud-Muntenia regions (Roman, 2018). While the main drivers of emigration are higher wages, better working conditions and public services, in particular education and health (European Commission, 2018a), the emigration of people with higher education is also due to the low quality of public governance (IMF, 2016). Some measures aimed at reducing outward labour force migration were adopted in December 2018, notably in the construction sector, by exempting employees from income tax as of January 2019, for a period of 10 years and the adoption of a new specific minimum wage for the sector."

"The number of young people neither in education, employment or training is steadily decreasing. The share of young people neither in education, employment or training stood at 15.2 % in 2017, down from 18.1 % in 2015 and 17.4 % in 2016, but is still among the highest in the EU. Implementation of the Youth Guarantee shows some signs of improvement. The proportion of beneficiaries taking up an offer within the 4-month target has increased significantly from 25.9 % in 2016 to 40.2 % in 2017. However, the Youth Guarantee coverage of the young people neither in education, employment or training is poor (only 14 % of this group aged 15-24 are registered). This points to the limited outreach measures implemented so far and to ineffective coordination between the education, employment and social sectors. In the meantime, emigration remains very high among young people, with Romania being one of the EU countries with the highest numbers of emigrants aged 15 to 24 (European Commission, 2018b)."

"Active labour market policies provide a limited response to the labour market needs. The measures in place still focus mainly on financial incentives for companies rather than on tailor-made approaches addressing the comprehensive needs of the unemployed, notably upskilling and integrated services delivery. Despite the increase in the amount of subsidies for employers who hire young people neither in education, employment or training and other vulnerable groups, the take-up of the measures is slow, pointing to a limited evidence-base behind this policy."

"Social services are characterised by uneven territorial distribution and insufficient coverage and quality. According to the Ministry of Labour and Social Justice only around 20 % of administrative territorial units have licensed social services. Services are usually concentrated around richer or urban areas, while needs exist mostly in poorer, rural areas and regions (34). Some vulnerable groups face a

severe lack of services, e.g. the homeless, young people leaving institutions, and the elderly.”

For further youth-related matters please refer to the country report.

Links to further information

Youth Guarantee Knowledge centre – *Including promising examples from Romania*
<https://ec.europa.eu/social/main.jsp?catId=1327&langId=en>

Youth Guarantee implementation plan

<http://www.mmuncii.ro/j33/index.php/ro/2014-domenii/munca/programe-si-strategii/51-munca/ocuparea-formarea-profesionala-si-mobilitatea-fortei-de-munca/2640-%202013-02-04-documente-nationale>

Where to register for the Youth Guarantee?

<http://ec.europa.eu/social/main.jsp?catId=1218&langId=en>

Youth Wiki Romania

<https://eacea.ec.europa.eu/national-policies/en/content/youthwiki/overview-romania>