



ESPN – Flash report

2015/27

**Draft National Strategy on Social Inclusion and
Poverty Reduction 2014-2020 in Romania: a game
changer?**

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Theme(s):	<i>Social inclusion</i>
Title:	Draft National Strategy on Social Inclusion and Poverty Reduction 2014-2020 in Romania: a game changer?
Category:	<i>Reform proposals – National strategic policy documents</i>
Abstract:	The recently proposed draft National Strategy on Social Inclusion and Poverty Reduction in Romania builds on the World Bank extensive analyses. While the content of the strategy is carefully aligned to the European Union's "Country Specific Recommendations" and addresses actual gaps in existing policies, its effectiveness as a policy guidance tool might be threatened by a low level of stakeholders' ownership.
Description:	<p>A new National Strategy on Social Inclusion and Poverty Reduction in Romania was expected at the end of 2013, in order to ensure policy continuity and fulfil one of the ex-ante conditions for accessing European structural funds. The draft strategy and associated Action Plan (which explains the way the strategy will be implemented) were finalised in October 2014 - with a one year delay due to a series of political conflicts and two election rounds during 2014. The documents were issued for public debate in December 2014 on the website of the Ministry of Labour, Social Protection, Family and the Elderly (MLSPFE). The government has not yet endorsed the strategy.</p> <p>The draft strategy was elaborated with the help of the World Bank. It is based on an in-depth analysis of the current welfare configuration and vulnerabilities in Romania, and a thorough diagnosis of the institutional capacity of the (sub-)national public administration. It was conceived as a continuation of the social assistance reform launched in 2010; while the former stage of the reform focused mostly on increasing the effectiveness and efficiency of targeted social assistance benefits, the proposed strategy focuses more on the development of an integrated approach to social inclusion, with an emphasis on support services to vulnerable individuals, families and communities.</p> <p>The draft strategy proposes a multi-stage approach to the development of integrated support for vulnerable individuals/ groups by:</p> <ul style="list-style-type: none"> • Unifying and increasing coverage and generosity of means-tested benefits under the umbrella of a single minimum income for social insertion (MISI). Coverage is expected to extend to working poor and households with low work intensity. A pro-work incentive is embedded in the MISI, in the form of a deductible work income. In addition, eligibility testing procedures would be simplified and institutional communication between regional employment agencies and local social assistance services intensified. Elderly people not eligible for social insurance pension would receive a social pension. • Enhancing the effectiveness of employment and skill improvement programmes, and customising these to different target groups while profiling the unemployed and underemployed population. Increasing the

	<p>institutional capacity of the public administration, and especially regional Employment Agencies, will be essential during this stage.</p> <ul style="list-style-type: none"> • Introducing (as from 2017) multi-disciplinary community worker teams, responsible for making employment, education, primary healthcare and social assistance services available to individuals in an integrated and individualised manner. A minimum social service package and at least one social worker in each community are the main targets set for this future stage. • Granting special attention to in-work poverty through: (a) assisting MISI beneficiaries not only in finding, but also in keeping a job, thus extending support to vulnerable individuals after they enter the labour market; and (b) granting priority to accessing vocational education and training to the working poor. <p>The strategy's formal objectives are to reach Romania's Europe 2020 poverty alleviation target and to increase equality of opportunities and access to a decent life (employment, housing, education and health) for all (for the first time, rural disparities are acknowledged in this context). As the strategy focuses on vulnerable individuals and groups, it also sets the foundation for addressing segregated poverty-pockets.</p> <p>The main shortcomings of the strategy do not reside in its content but in the way in which it is conceived (mainly as an outsourced product). The strategy strives for legitimacy through a rather ineffective consultation process and debates.</p> <p>While the World Bank team working on it included a series of Romanian experts, the proposed strategy does not result from a joint effort of a wide range of stakeholders (as opposed to the national strategy on child protection, elaborated with a broad participation of the NGO sector). The draft Action Plan clearly states that the strategy builds on the strategic vision document and on the analyses carried out by the World Bank and that the expected outcome of the public consultations and debates is "picking up 10 strategic priorities" (Action Plan draft, p.3) for which the World Bank will produce technically sound implementation plans.</p> <p>Since their publication in December 2014, only two debates on the draft strategy and Action Plan have taken place: one organised by the Friedrich Ebert Foundation and one organised by the MLSPFE. The first debate was dominated by the Prime Minister's discourse on equity principles and focused on the need to balance social investments and economic growth; it revolved around the principles of the "European social state" and its low support in Romania in recent years. The second debate focused on more concrete issues related to the institutional and administrative capacity to implement specific programmes; yet stakeholders' participation in the debate was very limited.</p>
<p>Outlook & Commentary:</p>	<p>The draft National Strategy on Social Inclusion, which proposes a more integrated and individualised approach, marks an important change in the way Romania addresses poverty and social exclusion. If adopted and successfully implemented, it is likely to contribute to a sustained reduction in poverty - through increasing the opportunities for, and effectiveness of poverty exit strategies and through breaking the vicious cycle of poverty. Yet, its success depends not only on increased institutional and administrative capacity, but also on the level of ownership it can create. Its endorsement by</p>

	<p>the government will not automatically ensure its effectiveness. Recent experiences (in the field of child protection or social inclusion of the disabled) have shown that increasing the role of stakeholders (public, non-governmental or private organisations) in shaping strategic documents can significantly increase ownership and then also active participation and cooperation in implementing reforms.</p>
Further reading:	<p>Drafts of the National Strategy on Social Inclusion and Poverty Reduction 2014-2020 and its associated Action Plan: http://www.mmuncii.ro/j33/index.php/ro/transparenta/proiecte-in-dezbatere/3654-2014-12-29-proiecthg-incluziunesociala Debates around the draft strategy: http://gov.ro/ro/stiri/primul-ministru-victor-ponta-a-participat-la-dezbaterea-pe-tema-planului-national-anti-saracie-i-promovare-a-incluziunii-sociale-2014-2020-organizata-de-fundatia-friedrich-ebert-romania&page=3 http://www.mmuncii.ro/j33/images/Documente/Familie/2015-DSS/2015-03-31_Minuta_dezbatere_pub_27mar2015.pdf</p>
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