



PROGRESS NATIONAL REPORT

JOINT INCLUSION MEMORANDUM

- JUNE 2006 -

Bucharest

SUMMARY

1. Socio - economic context	1
1.1. Demographic characteristic	1
1.2. Leaving conditions	3
1.2.1. GDP evolution	3
1.3. Households incomes	5
1.4. Salary earnings	6
2. Poverty situation	8
3. Employment social insurance system and labour force	8
3.1. Labour market evolution.....	9
3.2. Programmes implemented in employment field	12
3.2.1. Informing and professional counseling	13
3.2.2. Vocational training	13
3.2.3. Integration in the labour market of persons over 45 years Or single provider for the family	14
3.2.4. Solidarity contracts	14
3.3. Legislation concerning employment and vocational training	15
4. Pension social insurance system.....	15
5. Access to the resources, rights, goods and services	19
5.1. Access to the social benefits	19
5.2. Access to the education.....	24
5.2.1. Evolution of the school aged population	24
5.2.2. Attending education	26
5.2.3. Early school leaving	29
5.2.4. Programs for ensuring equal access to basic education for everybody and post –mandatory	31
5.3. Access to the health services	34
5.4. Access to housing	43
5.5. Access to the social services	46
6. Protection of the disadvantages groups	50
6.1. Policies for protecting children and families	50
6.2. Policies for protecting persons with handicap	55
6.3. Policies for protecting Roma population	63
6.3.1. Access to the labour market	61
6.3.2. Access to the ID	62
6.3.3. Access to the education.....	63
6.3.4. Access to the health services	65
6.4. Social inclusion of the convicted persons	66
6.5. Social inclusion measures for drug addicted persons	68
7. Gender equality	70
8. Strengthening the coordination mechanism for social inclusion policies	71
9. Conclusions and future steps.....	76



Social inclusion is a priority of the Romanian Government and it needs a strategic and integrated approach for the development of adequate national policies. The actual stage highlights major changes both in the approach of social protection policies as well as in the planning of social inclusion measures.

The alignment of the national programmatic documents to the European principles and objectives for promoting social inclusion is the only solution for adopting a joint position, an European one, facing actual demographic, social and economic challenges.

The Ministry of Labor, Social Solidarity and Family was charged with the main role on promoting and assessing social inclusion policies at national level, by signing the Joint Inclusion Memorandum in June 2005. A political agenda was set up following the document signature by the Romanian Government. The main objectives identified in the Joint Inclusion Memorandum were transposed in concrete measures. The outcomes' assessment has been achieved and the results are presented in the Progress Report.

The Ministry of Labor, Social Solidarity and Family created an adequate framework for multi-annual planning of the social inclusion measures. The specialized Department of Social Assistance and Family Policies was assigned to coordinate and monitor the sectorial policies implementation by meaningful cooperation of all actors.

Gheorghe BARBU

Minister of Labour, Social Solidarity and Family

**NATIONAL REPORT ON
SOCIAL INCLUSION
(2004 – 2006)**

1. SOCIO-ECONOMIC SITUATION

1.1. Demographic characteristics

Romanian population is in slow and continuous process of decrease since the beginning of the 90's. Between the years 1999-2006¹, the total population has diminished from 22,5 million to 21,6 million people. In the last years, demographic decrease has been determined by the following factors:

- negative natural growth:
 - drastic decrease of birthrate (from 13,6‰ in 1990 to 10,2‰ in 2005);
 - significant increase of mortality rate (from 10,6‰ in 1990 to 12,1‰ in 2005);
 - natural growth of population has diminished progressively from 3‰ in 1990 to 1,9‰ in 2005.
- negative balance of external migration due to the circumstances of highly qualified and educated population migration.

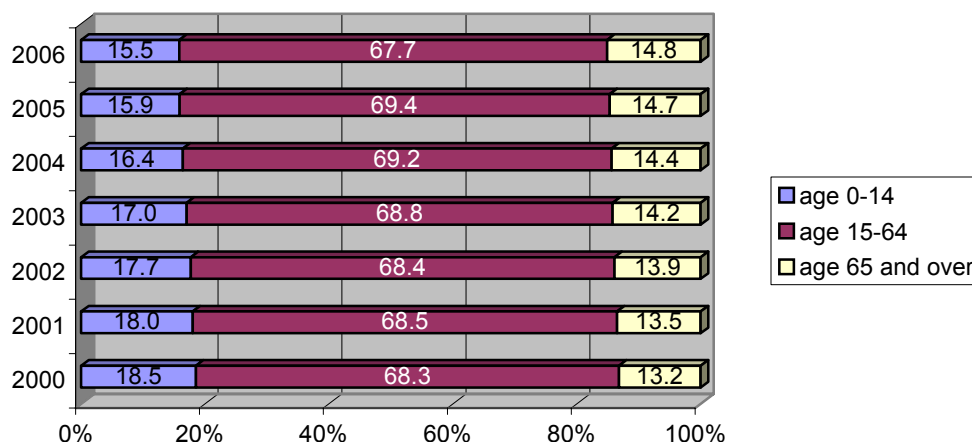
Beginning with the 90's the population structure by age groups has registered important changes, first of all as a result of continuous birthrate decrease. The age pyramid of the Romanian population, in the period 1990-2006, shows a slow but continuous process of population aging.

¹ Starting with 2002, the information has been set depending on the results of the Population and Dwellings Census since March 2002.

Under these circumstances, there is an increasing “pressure” of older population on the adult population – potentially active, implicitly on some important society systems (health, social assistance, social insurance budget), with consequences for the economic and social policy.

The population under the age of 15 is in continuously decreasing from 19,0% in 1999 to 15,5% in 2006, while the population of 65 years and over has increased from 13,0% to 14,8% in 2006.

**Population structure on the main age groups,
2000-2006 (1st of January)**



Source: National Institute of Statistics

The ratio of 65 and over population, is in Romania of 14,8% in 2006, which represents less than the EU-25 average level of 16,5% as compared to, and the youth ratio of 15,5%, is approximately equal to the EU-25 average of 16,4%, which means that the demographic aging process is more accentuated at the EU level, as compared to Romania. In these circumstances, the demographic “pressure” exercised by the young as well as the old people (potentially inactive people) on the adults (potentially active people) is of 44 young and old people to 100 people of

working age, with a slight decreasing tendency to the decreasing number of young people because of the decrease in the birthrate.

1.2. Standard of living

Gross Domestic Product Evolution

In 2005, in accordance with data forecasted by the Statistics Office of the European Community (Eurostat), Romania produced 1,5% of the EU-25 Gross Domestic Product, calculated at Standard Purchasing Power Parity (PPP). In the same year, in Romania, the GDP per person was of 7.700 PPP, being approximately three times smaller than the average the EU-25.

Value of GDP (PPP) in Romania as compared to the states of the European Union

- % -

	2003	2004	2005^(f)
GDP EU- 25	1,4	1,5	1,5
GDP EU – 15	1,5	1,7	1,7
GDP NMS-10	16,6	17,2	17,1

^(f) Projections from Eurostat

In 2005, the Gross Domestic Product, of over 287 billion RON, has registered an increase according to the provisional data of 4,1% as compared to 2004. This increase is with a little over one percent, inferior to the increases registered in 2001, 2002, 2003 and significantly less than increase registered in 2004. The year 2004 is noticed one of the best years as far as GDP is concerned, which was influenced because of the results achieved in agriculture.

Eurostat projection does forecast a continuous increase of the Gross Domestic Product per person (PPP) also in the following years, estimating that in 2007 it will reach 32,8% of the EU-15 average and 35,2% of the EU-25 average.

GDP per inhabitant at Standard Purchasing Power Parity (PPP)

EU-25 = 100

	2000	2001	2002	2003	2004	2005	2006	2007
EU – 25	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0
EU – 15	110,0	109,6	109,3	108,7	108,4 ^f	108,1 ^f	107,8 ^f	107,1 ^f
New Members States	50,2	51,0	52,1	52,8	54,6	56,4 ^f	58,0 ^f	59,7 ^f
Czech Republic	63,7	64,9	66,5	67,4	70,0	73,1 ^f	75,3 ^f	77,1 ^f
Hungary	52,7	55,8	58,1	59,2	59,9	61,5 ^f	63,4 ^f	64,4 ^f
Poland	46,8	46,2	46,5	46,8	48,9	49,6 ^f	51,0 ^f	52,2 ^f
Bulgaria	26,4	27,9	28,4	29,8	30,4	32,1 ^f	32,9 ^f	34,4 ^f
Romania	24,9	26,4	28,4	29,8	32,2^f	32,9^f	34,2^f	35,2^f

Source: Eurostat web site; (f) projections

Starting with the year 2000, the Gross Domestic Product has registered a continuous increase: 2,1% in 2000, 5, 7% in 2002, 5,2% in 2003, 8,4% in 2004 and 4,1% in 2005.

It should be mentioned that in 2004 the level of the GDP reached that recorded for 1999.

GDP and GDP/inhabitant dynamics

	2000	2001	2002	2003	2004 ^{*)}	2005 ^{**)}
Gross Domestic Product (1989 = 100)	79,6	84,1	88,4	93,1	100,9	105,0
GDP per inhabitant (1989 = 100)	82,1	86,9	93,9	99,1	107,8	112,5

Source: INS; ^{*)} semifinished data; ^{**)} temporary data

GDP dynamics registered in the first trimester of 2006, as compared to the first trimester of 2005, has been of 106, 9%. For the end of the year 2006 an increase of 6,8% is forecasted.

1.3. The households' income

On 2005, the total incomes, in nominal terms, have been of 1212,2 lei per month per household and of 412, 6 lei per person, higher with 11,6%, respective 12,1% than 2004. The main source of the total incomes earning is represented on 2005 as well as on the previous year, by the monetary incomes (79, 6%, higher with 3, 8% as compared to 2004). The incomes in kind have represented 20,4% in decrease with 3,8 % than the previous year.

Regarding the residence, the monetary incomes of households from the urban area have been 1,8 higher than those of the households from the rural area and have represented 88,4% of the total urban households incomes and 64,8% of those of the rural households.

The main sources of incomes, in 2005, represent the salaries and other associated incomes. Their represents 59,4% (88,8% of the workers households) of the monetary incomes, higher than the previous year with 0,6%. Another source, with an important weight in the structure of the households' incomes, represents social benefits (25,7% of the monetary incomes, higher with 0,3% as compared to the previous year). The greatest part of these incomes is represented by pensions (78,0%).

During the period 2002-2005, there have been registered increases, year by year, as compared to the previous year. The greatest increase in 2004, as compared to 2003 (+22%), is due mainly to the incomes from agriculture. The year 2004 being one of the best years as far as the agricultural produce is concerned. In the same year, real monetary incomes have risen with 23, 5% as compared to the previous year. A

different evolution was recorded to the incomes in kind, these being in 2002 and 2005 under the level of the previous years.

Real incomes of households dynamics

(-%-)

	2002	2003	2004	2005
Previous year = 100,0				
• Total incomes	103,0	104,7	122,0	102,4
• Monetary incomes	105,5	103,0	123,5	107,6
• Incomes in kind	95,9	110,4	117,8	86,3
Year 1995 = 100,0				
• Total incomes	76,2	79,7	95,7	96,5

Source: NIS, Family Budgets Survey

The real households' incomes have been at a lower level as compared to 1995 during the period 2002-2005, despite the increase of the last years. In 2005, the real incomes have come close to the average of the year 1995 (96, 5%).

1.4. Salary earnings

In 2005, the gross nominal salary earning has been of 967 lei RON and the net one of 738 lei RON.

Indices of real salary earning increased with 10, 2% as compared to 2004. During the period 2005-2006, the real salary earning indices has increased with 31, 5%.

Evolution of the average salary earning

	1999	2000	2001	2002	2003	2004	2005*)	Trim. I 2006*)	April 2006*)
- lei (RON) / person -									
Average gross salary earning	192,1754	284,0449	422,0357	532,0559	663,7868	818,3317	967	1073	1120

Average net salary earning	152,2878	213,9138	301,9424	378,9202	483,9648	598,6386	738	807	839
- %, 1990 = 100 -									
Indices of real salary earning	57,0	59,4	62,4	63,9	70,8	78,3	88,5**	-	-

Source: NIS, Research on the workforce cost in enterprises

*) Operative data, from the monthly survey on salary earnings

**) Provisionally data

In the first quarter of 2006, the gross average nominal salary earning has been of 1073 lei (RON), higher by 17,2% as compared to the first trimester of 2005. The net average nominal salary earning from the first quarter of the 2006 has been of 807 lei (RON), higher by 15,0% as compared to the same period of the previous year.

In April 2006, the average gross nominal salary earnings by national economy has been of 1120 lei (RON), and the net one was of 839 lei (RON), higher as compared to the previous month with 1,7%, respective with 1,3%.

There are still discrepancies, quite high in some cases, between the net average salary earnings at the level of different activities. The prevailing position is kept by the activity of financial interventions (with 3,05 over the average), followed by activities concerning insurances and pensions houses (with 2,05 over the average), post and telecommunications (with 1,67 over the average), public administration (with 1,51 over the average), education (with 1,06 over the average). There are under the economic average the activities of health and social assistance (92,3%), constructions (81,6%), trade (78,2%), agriculture, hunting and additional services (69,4%), hotels and restaurants (62,5%).

In April 2006, the proportion between the indices of net average nominal salary earning and indices of the consumption price has been of 100,9% as compared to the previous month, of 105,5% as compared to the correspondent month of the

year 2005, and of 91,6% as compared to October 1990.

2. POVERTY SITUATION

In accordance with data provided by National Institute for Statistics, poverty dynamics show a constant decrease in the last years, decrease that is still in the year 2005. Thus, if in 2004 poverty rate registered a value of 18,8%, in 2005 this was of 18,2% (18,0% for male and 18,4% for female).

Regarding the residence, the rural area further faces a higher incidence of poverty and severe poverty. The poverty rates of the rural area registers in 2005 the value of 28% as compared to 10,2% in the urban area, therefore approximately 70% of the poor people live in the rural area (Annex no.6).

The progressive decrease of poverty rate in the urban area in the first semester of the year 2005 can be explained by the effects of applying the flat tax which has affected in a positive way the population from the urban area.

3. INSURANCE SYSTEM FOR UNEMPLOYMENT AND LABOUR FORCE EMPLOYMENT

On 2004, the employed population was of 9.158 thousands persons of the total active population of 9.957 thousands persons.

On 2005, the employed population was of 9.147 thousands persons. The employment rate of the population of working age was of 57,7%, decreased with 5,8% as compared to the year 1999.

The difference between the employment rates by sex has been in 2005 of 12,4 % (63,9% for men as compared to 51, 5% for women), and by residence, of 6,6% (61,6% in rural as compared to 55,0% in urban).

On 2004, **the employment rate of population with ages between 15 and 64 years** was of 57,9%, as compared to 63,3% in EU-25 and 64,7% in EU-15, and in the year 2005, the employment rate was of 57,7% as compared to 63,0% in EU-25 and of 64,5% in EU-15.

3.1. Evolutions on the labor workforce

The activities that registered a dynamic increase of the employment rate in the year 2005 as compared to the previous year, have been represented by constructions, trade, hotels and restaurants, real estate transactions, leasing and services activities. Positive economic tendencies are represented by the constant increase of employment weight in the private area and in the mixt sector (76,3% in 9 months 2003, 76,6% in 9 months 2004 and 78,8% in 9 months 2005). Adequately, the employment percentage has decreased in the public sector (23,7% in 9 months 2003, 23,4% in 9 months 2004 and 21,2% in 9 months 2005).

The number of the unemployment persons defined in accordance with the criteria of the International Labour Office has decreased from 799 thousands persons in 2004 to 704 thousands persons in 2005, and the unemployment rate from 8,0% to 7,2% adequately.

In accordance with the information provided by the National Agency for Employment, **the number of the unemployed workers registered** at the end of April 2006 was 517,3 thousands persons. As compared to April 2005, the number of the unemployed workers registered at the employment agencies has been higher with 6 thousands persons. Of the total number of the registered unemployed workers, women represented 39.4%.

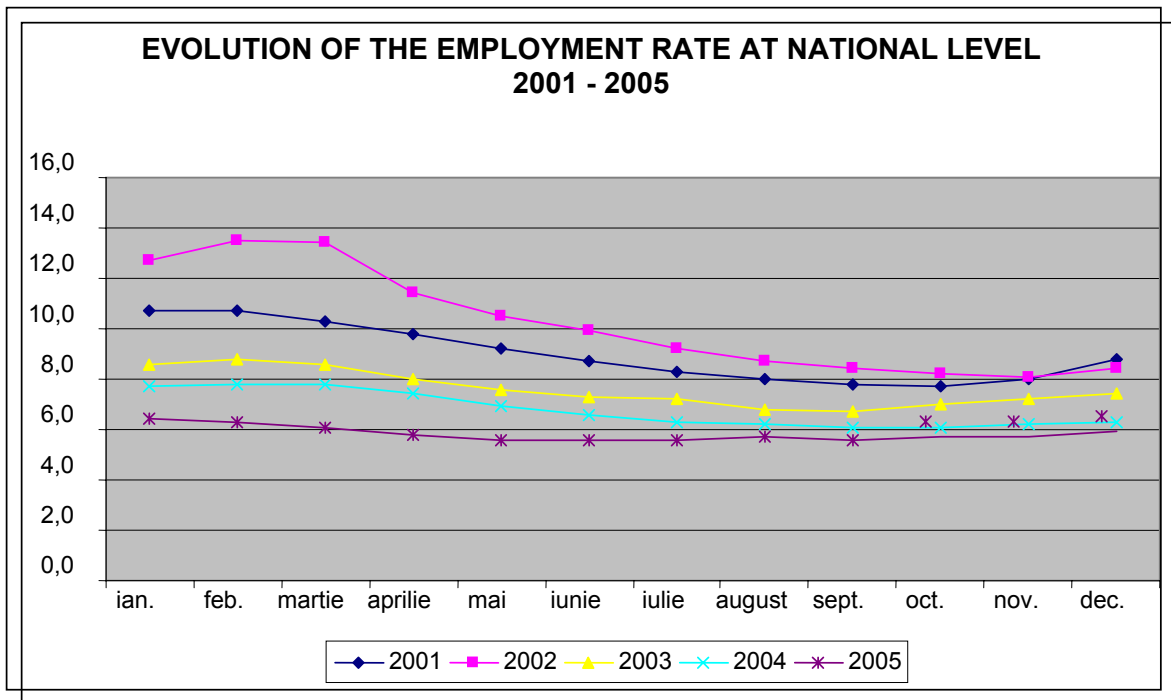
The number of the registered unemployed workers and the unemployment rate registered on 31st of December

	1999	2000	2001	2002	2003	2004	2005	April 2006
Registered unemployed, total (persons)	1130296	1007131	826932	760623	658891	557892	522967	517278
Male	600177	535523	445793	421103	372620	323300	303743	313242
Female	530119	471608	381139	339520	286271	234592	219224	204036
Registered unemployment rate (%)	11.8	10.5	8.8	8.4	7.4	6.3	5.9	5.9
Male	12.1	10.7	9.2	8.9	7.8	7.0	6.5	6.7
Female	11.6	10.1	8.4	7.8	6.8	5.6	5.3	4.9

Source: National Agency for Employment

The number of the registered unemployed workers had a descendent evolution during the period of December 1999 – April 2006 (- 613 thousands persons), for women a higher decreased was registered (-326, 8 thousands persons) as compared to men (286,9 thousands persons).

Unemployment rate in April 2006 has been of 5,9% in comparison with the total active population (5,8% in April 2005). The unemployment rate for women has been less for men then 1,8 % (4,9% for women comparing to 6,7% for men).



Source: National institute for Statistics

The numbers of employees at the end of December 2005 was 4 501 200 persons, with 102 900 persons higher than in December 2004. Regarding the professional status, the self-employed and not paid family workers have represented 32,3% of the total employed population in 2004, and approximately 90% of them were residents of the rural area.

Employment evolution is influenced by a few significant factors:

- foreign investment flow that can generate new jobs;
- development of small and medium-sized enterprises.

On the other hand, the process of reorganization and privatization generate pressure on the employment system.

3.2. Programs implemented in the employment field

The active measures implemented in order to stimulate employment had as a result in the year 2005 the integration or reintegration on the labor market of 507.363 persons, representing 67,89% from 747.225 persons which had access to the measures. From the total of employed persons, 208.492 are from rural area, representing 41,09%.

On 2005 from total persons that had been employed, 66.657 are persons who belonging to disadvantaged groups, as follows:

- 659 persons with disabilities;
- 10.366 persons belonging to Roma entity;
- 28 persons released from jail;
- 244 graduated students of 18 years old post-institutionalized;
- 11.948 young unemployed with long term contracts (from which 4.462 women);
- 43.412 adults unemployed with long term contracts (from which 13.345 women).

In the first 4 months of the year 2006, a number of 177.323 persons have been employed. From the target group which is registered by the county agencies for employment, there were employed: 158 persons with handicap, 3.702 persons from Roma minorities, 7 persons released from jail, 39 graduated students of 18 years old post-institutionalized.

The active measures that generated employment on the labour market of the jobseekers are the following:

3.2.1. Informing and professional counseling

On 2005, a number of 111.045 persons have benefited by informing and professional counseling services, which represent 17,14% of the total unemployed workers registered by National Agency of Employment.

As a result of attending services of informing and professional counseling, **38.848** persons have been included in vocational educational training, **1829** persons have benefited from counseling services to start their own business and **26.688** persons have been employed.

During 2005, a number of **867** persons with disabilities have benefited by counseling services, which represents 18,15% of the total number of persons with disabilities registered in the employment agencies.

3.2.2. Vocational training programs

Professional education has materialize in the implementing of a few special programs for disadvantaged persons, that is Roma people, persons with disabilities, long term unemployed persons, as well as persons of 45 aged or single providers for their families.

Different categories of persons which have difficulties in access on labour market have been benefited of training programmes according with Law no.76/2002:

- 12.256 persons from rural area;
- 4.940 long term unemployed, from which: 3.280 adults of over 25 years old and 1.660 persons under 25 years old.
- 2.065 employed persons benefiting from different training courses with the aime for preventing unemployment;
- 114 persons with disabilities;
- 1.601 persons belonging to Roma population;

- 21 persons released from jail;
- 40 graduated students of 18 years old from placement centers;
- 901 convicted persons;

As a consequence, in 2005 has as result the employment of a number of 16.096 persons.

Until April.2006, 15.362 persons were included in the free charge trainings, from which 14.788 persons were unemployed. Following the participation to this training, 5.033 persons were integrated in the labour market. From the disadvantaged categories participating in the training programs, 1.239 long term unemployed persons, 7.073 persons from rural area, 33 persons with handicap, 72 persons from Roma minority, 8 graduated students of 18 years old from placement centers, 236 persons convicted, 329 persons employed where included in trainings preventing the risk of unemployment.

3.2.3. Integration in the labor market of persons over 45 years old or single provider for the family

The unemployment of persons over 45 years and of single providers for the family is still one of the most important problems. During the year 2005, 111.217 persons aged over 45 or single providers for their families were employed, out of which 20.764 persons (15.970 aged over 45 and 4.794 single providers for families) have been employed by subsidizing the workplace.

By the end of April 2006, 6.703 persons over 45 years old or single providers for their families were employed, representing 33, 07% of the total number of persons that belong to the same category (20.265 persons).

3.2.4. Solidarity contracts:

In accordance with Law no.116/2002 concerning preventing and combating social marginalization, in 2005 1.260 young persons affected by social marginalization were employed, at the national level, by concluding solidarity contracts. By the end of April 2006, 621 solidarity contracts were concluded, from which 572 persons were employed.

3.3. Legislation regarding employment of the workforce and professional training

Law no.76/2002 regarding insurance system for unemployment and stimulating employment of the workforce (published in the O.J 103/2002) has been amended by the Government Emergency Ordinance no.144/2005 (published in the O.J 969/2005). The amendment of the act aimed to initiate the right to unemployment indemnity, as a passive measure for social protection. The unemployment indemnity depends on the contribution stage and on the contribution amount paid to the unemployment insurance budget.

Starting with 1st of January 2006, the Law no.279/2005 regarding apprenticeship at the workplace entered into force. By implementing the provisions of this law, there is promoted an attractive learning system was promoted for the employer as well as for the apprentice, stimulating a relation between the process of learning and the activity performed at the work place.

4. PENSIONS PUBLIC SYSTEM

One of the main objectives of the social protection policy represents the financial consolidation of the public pension system, in order to ensure an adequate income for the retired persons of this system, as well as reconstruction the public system by externalization of the services that are not related to pensions.

I. Adopted measures during the period January 2005-April 2006 for the improvement of the life standard for the pensioners:

- ❖ **Increasing the point pension value:**
 - **3% starting with 1st of January 2005;**
 - **9,3% starting with 1st of January 2006;**
- ❖ **Increasing farmers (peasants) pensions – 10%, starting with September 2005;**
- ❖ **Recalculating pensions of the public pension system settled in accordance with the previous legislation to Law no.19/2000, which led to the elimination of the system inequities;**

II. Measures adopted during January 2005-April 2006:

The results of the measures regarding pensions recalculation and revalorization of the pension point has led in April 2006 to **an increase of the average pension of the public system with 27,01%** as compared to December 2004, which, **in real terms, represents an increase with approximately 15% per total system, including farmers.**

There is **an accelerated increase of the average pensions for the farmers**, generated especially by the measure of increasing farmers pensions adopted in September 2005. The nominal growth is of **41, 25%** within the reference period (April 2006 as compared to December 2004), **in real terms achieving an increase of 27, 6%**. Also, in accordance with the present legislation for the farmers it is supported by the state budget.

Taking into account that the difference in comparison to the “target” of increasing pensions in real terms is of approximately 30% - as assumed by the Government Program – it must be ensured a judicious funds planning, so that the pensioners could benefit from the advantages of the economic growth on real basis. Taking into

account also the fact that approximately 1,86 million pensioners have obtained a lower score than the one existent and did not benefit or did benefit partially from the growth effects with 9,3% of the pension point value, there is the possibility of a new increase of the pension point during the year 2006. Therefore, **it is appreciated that an increase of the pension point value with 3% starting with September 2006 is necessary and sustainable**, which also lead implicitly to an improvement of the purchase power of pensions.

By adopting the measure, starting with September 2006, there can be registered an increase with 30,81% of the nominal value of the average pension of the public pensions system (including farmers) at the end of the year, which is approximately 15% in real terms.

During the period December 2004 – the first quarter 2006, the annual average pension for social insurance (including farmers) has been increased in nominal terms from 211 lei RON to 268 lei RON, and in the case of the public social insurance system. The annual average pension has increased from 252 lei RON to 302 lei RON, while the pension for the farmers pensioners has increased from 80 lei RON to 112 lei RON.

Monthly average pension during 1999 – 1st Quarter of 2006

- Lei (RON) -

	1999	2000	2001	2002	2003	2004	2005	First trim. 2006
Pensioners - total	53	72	104	134	156	211	246	268
Social insurance	53	72	104	133	156	211	246	268
of which :								
Public social insurance	67	91	131	163	187	252	267	302
Farmers social insurance	14	19	27	34	38	80	88	112

Source: National Institute for Statistics

The monthly average pension from the public social insurance system in the first quarter of 2006 has been 302 lei (RON), higher with 9,0% as compared to the 4th quarter of 2005, from which a number of approximately 2,1 million pensioners age limit with full length of service had the average pension of 417 lei RON (April 2006) as compared to 351 lei RON (December 2004).

The proportion between the average pension of public social insurance for age limit with a full length of service (without taxes) and the net average salary earning has been 51,3% in the 1st quarter of 2006.

As result of the legislative framework assessment regarding the occupational pensions and as result of the negotiation process for accession to the European Union, there has been adopted the **Law no.204 regarding the optional pensions, whose main provisions aim at:**

- extending the comprising sphere of the participants;
- extending the sphere of managers for the pension funds to other categories of organizations than the ones for pensions;
- redefining the categories and the limits of investment in order to eliminate barriers of the free circulation of capital;
- formulating provisions to transpose the principles of the European Community regulations into force;
- tax exemptions of the pension fund investments during the whole collection period;
- reanalyzing granted methods in respect to the investing profit, as well as constituting the granting fund;
- respecting the equality of treatment principle in respect to the possibility to benefit of an optional pension at 60 years old, for men as well as for women.

In accordance with the provisions of the Government Emergency Ordinance no. 50/2005 was set up the **Supervising Commission of the Private Pension System**, which has a multiple function of control, regulating, supervising and

informing regarding the optional pensions. This new body represents an autonomous authority, with legal entity, under the control of the Romanian Parliament.

In the same time, other benefits have been externalized from the social insurance system such as payment of medical leaves and the indemnity for rising of the child up till 2 years old and 3 years old for children with handicap.

At the same time, **the law project regarding the pension funds privately managed** will be send to the Parliament and has all the necessary governmental approvals. This project represents **the legal framework for the initiation of the compulsory pension system, based on accumulation of capital and private management (2nd pillar).**

5. ACCESS TO RIGHTS, GOODS AND SERVICES

5.1. Access to social benefits

During the period 2005-2006, the process of annual increasing of the social assistance benefits amounts has continued comparing with the growth of the consumer prices indices. Thus, **comparing with the year 2004, in the 1st quarter of 2006 the average increase of the amounts is approximately 12% for the family allowances, the indemnities and social aids granted to the population.**

During the same period, was implemented the existing social benefits programmes:

Also, in the year 2005, for the state child allowance, there have been registered an increase number of the beneficiaries by 6,07% comparing with 2004, as well as an increase of the amount by 4,15%. At the same time, a new Emergency Ordinance was approved for the modification of the Law no.61/1993, republished. The main provisions of this act are:

- granting the state child allowance to all the children until 18 years old, inclusive, without conditionality such as school attendance;
- granting the state child allowance to the youth at 18 years old with the conditionality to attend and graduate the education;

As a result of the legislative amendments, the right will be granted additionally to the actual state allowance beneficiaries, to a number of approximately 10.000 children attending the private schools that are not registered by the National Commission for Evaluation and Accreditation of the Pre-university Education, or who are already 16 years old and do not attend anymore any kind of education.

Starting with 1st of January 2007, the Government Emergency Ordinance no.148/2005 provide the state child allowance in an amount of 2 million lei (200 RON) per child per month. The amount of 2 million is granted of the principle of **universality**, for all children up till 2 years, respectively 3 years, in the case of children with disabilities.

The foster care allowance is granted to families were have a child in family placement in an amount of 82 lei, increased with 5,1% comparing with 2005. For children with disabilities, the benefit amount is increased by 50%. There is an increased of the recipients with 58% comparing to the 2004 (from 48.930 recipients to 84.205) as a result of the development of alternative services. In the first 5 months of the year 2006, the monthly average number of recipients is 51.735.

Starting with the year 2005, a new program of family allowances has been initiated, the complementary family allowance program and the allowance for supporting the mono-parental families. All the families with children that have incomes less than 168 lei per family member do benefit of the provisions of this regulation. The benefit amount is differentiated depending on the number of children in the family. For the year 2006, the allowances' amount has been increased with 5% comparing to the year 2005.

The amount of the heating benefits in 2004 – 2005 and 2005 – 2006 have registered a total increase at 60% (34% in the case of thermal energy, 120% for the natural gas and 37% for wood, coal, oil fuels) comparing with the cold season 2003 – 2004.

The program of granting the heating benefit has continued with an increase of 8% of the beneficiaries, respectively from **1.364.000 beneficiaries in the cold season 2003-2004** (588.593 for thermal energy, 383.774 for natural gas and 392.283 for wood, coal, oil fuels) to **1.487.000 beneficiaries in the cold season 2005-2006** (512.000 for thermal energy, 599.000 for natural gas and 376.000 for wood, coal, oil fuels). The amount of the benefit have increased comparing with 16% in cold season 2004-2005 (from 315 million lei to 365,56 million lei) and with 74% in the cold season 2005-2006 (547 million lei) comparing with cold season 2003 – 2004.

Another measure with the aim of increasing the quality of life was granting financial support in an amount of 1.500 lei for purchasing, assembling and installing individual steam-generating stations and 300 lei for purchasing and assembling automat burners. Up today a number of 463 families have benefited of these aids and the total expenditures for the program represents 581.100 lei.

In the year 2006, social benefits programs have been diversified. One of the most important program was the indemnity for child care until 2 years old , respectively 3 years old in the case of the child with disabilities. The benefit was externalized from the social insurance system and insured exclusively from the state budget. There have been also introduced other measures such as monthly incentive for returning to the workplace, crèche tickets.

The beneficiaries' number of the indemnity for raising the child in the social insurance system was situated at 31st of December 2005, at approximately 170.000

persons. In the present days, the conditions offered by the policies for family supporting have led to an increase of 9%, reaching a number of 185.000 beneficiaries. The necessary funds are allocated exclusively from the state budget and 584,66 million lei have been paid to the beneficiaries until 31st of May 2006 .

Since 2006 the monthly incentive is allocated, as a form of support for the parents who return to the professional activity within the leave period for rearing the child. 8.600 persons have benefited by this allowance and 8,5 million lei have been paid this year (31st of May 2006).

The state child allowance amount for children until 2 years old, respectively 3 years old in the case of the child with disabilities, will be increased to 200 lei starting with 1st of January 2007, which is 8,3 times more than the present level.

For the employees whose children benefit of services in crèches, since the second semester of the year 2006, the employers will provide with crèche tickets their own employees, having an amount of 300 lei.

A new measure taken into account for the year 2007 is the financial aid to the new families in amount of 200 EURO.

The program regarding the minimum income guaranteed (MIG) has been initiated based on the principle of solidarity in order to have a direct impact on poverty reduction and especially on extreme poverty.

The minimum income guaranteed is defined depending on the size and the structure of the household. The families has the right to social benefit equal to the difference between the social minimum and the real income earned from any other sources, including the possible income earned from assets, such as lands and animals. This means that a household can have employed members (with low salaries and/or employees with part-time program) who could have the right to social benefit. The

existence in the household of a working member leads to increasing the right to the social aid by 15%. The household members capable of work must perform a community work, in case they are not employed with a labour contract. If an individual doesn't perform the community work that one has been charged with, the one loses the right to social benefit, the rest of the household keeping this right.

MIG is a combination of negative tax on income, social assistance and social aid. The negative tax on income means that the existence of a working member increases the revenue of the household by 15% of the owed aid. This reward is given, no matter how many members of the household are working.

MIG is managed by the local public administrations. Eligibility is established at local level, in accordance with the criteria defined by the Ministry of Labour, Social Solidarity and Family. The eligibility criteria are defined at general level, the local administration being responsible for the setting up of the income possibly earned from lands and other assets. The local administration is, also, responsible for distributing and supervising the community work.

The average number of beneficiaries in 2004 has been of 420 000 families and single persons, diminishing in 2005 to 390.000, and in 2006 (the first three months) to 381.000 families and single persons. The amounts granted have increased comparing to the 2004 by 7% in 2005, respectively from 440 million lei to 472 million lei and have reached 93 million lei in the first three months of 2006. This measure has addressed to a monthly medium number of 834.402 persons in the year 2005, with 6% less than the year 2004, as a result of increasing the income of the population. In 2005, the granted medium aid has increased 13% as against 2004, respectively from 116 lei to 132 lei.

Granting MIG is conditioned by performing an activity for the community and represents at the same time a complementary measure with granting other benefits such as: medical insurance, emergency aid, aid for heating the accommodation.

In order to support the families in need due to natural calamities, fires and accidents, a number of 8.160 emergency aids have been granted in 2005, thus being spent 7,21 million lei. In 2006, 13.954 emergency aids have been granted in order to support the families and persons affected by floods.

They have benefited of financial aids a number of 4.370 families and persons facing difficulties because of poverty or disease conditions, and the amount allocated has been of 4,8 million lei.

5.2. Access to education

5.2.1. Evolution of school population

The data available for the school year 2004/2005 indicated a decrease of the school population, by almost 3,49% as against the school year 2000/2001. The most important decrease is the one of the number of the students registered on the *primary and secondary* education, by 11,00% and respectively 22,3% during the above period; in both cases, the most severe decreasing of the school population is registered in the urban area. In the case of the high-school education, vocational and technical education, there have been registered growths of the school population by 12,5% and 20,8%; these growths are differentiated on residence, in favour of the rural area. Such an evolution is mainly the result of the demographic changes, as well as the increasing number of schools (especially within the vocational and technical education) located in the rural area. In the case of university education, the number of the students has increased in the reference period by 22%.

School population

		2000- 2001	2001- 2002	2002- 2003	2003- 2004	2004- 2005	Changes 2004/2005 as against 2000/2001
Pre-school education	Total	611036	616014	629703	636709	644911	5,5%
	Urban	292387	293643	299936	300925	316817	8,4%
	Rural	318649	322371	329767	335784	328094	3,0%
Primary education	Total	1090172	1028697	990807	1005533	970295	-11,0%
	Urban	550038	50269	471238	466160	447781	-18,6%
	Rural	540134	526628	519569	539373	522514	-3,3%
Secondary education	Total	1321333	1291839	1207505	1116693	1026309	-22,3%
	Urban	770073	744189	682918	606061	551099	-28,4%
	Rural	551260	547650	524587	500632	475210	-13,8%
Highschool education	Total	687919	710663	740404	758917	773843	12,5%
	Urban	645193	665075	691195	706759	718621	11,4%
	Rural	42726	45588	49209	52158	55222	29,2%
Vocational education	Total	239550	252347	270215	279124	289494	20,8%
	Urban	202505	212415	227151	230918	233335	15,2%
	Rural	37045	39932	43064	48206	56159	51,6%
Post- highschool education	Total	82117	72685	61855	54732	48693	-40,7%
	Urban	79678	70607	60058	53530	47512	-40,4%
	Rural	2439	2078	1797	1202	1181	-51,6%
Pre- university education	Total	4032127	3972245	3900489	3851708	3753545	-6,9%
University education	Total	533152	582221	596297	620785	650335	22,0%
	Public	382478	435406	457259	476881	495034	29,4%
	Privat	150674	146815	139038	143904	155301	3,1%
Total		4565279	4554466	4496786	4472493	4403880	-3,5%

Source: National Institute for Statistics

The forecasts made show that the school age population will register a decrease by approximately 20% during the period 2005-2013; the strongest decrease is forecasted for the age group of 15-24 years, maintaining differences on education levels and regions.

Demographic forecast on regions and education levels, 2013 as against 2005 (%)

Demographic forecast	North-East	South-East	South	South-Vest	Vest	North-Vest	Center	Total
School population in pre-university education	-16.2	-20.4	-19.7	-20	-18.9	-19.8	-19.6	-19.1
School population in primary and secondary education	-16.5	-20.4	-19.6	-20.0	-18.9	-19.7	-19.6	-19.1
School population in high-school education	-15.5	-20.3	-19.8	-19.9	-19.1	-19.9	-19.9	-19.2
School population in IPT	-15.6	-20.6	-19.8	-19.9	-19.0	-20.1	-19.8	-19.1

Source: National Institute of Statistics, Demographic forecast until the year 2025

5.2.2. Attending education

The gross rate of school comprising at all education levels (ISCED 1-6) has registered a constant increase from 66,5% in 2000-2001 to 72,0% in 2004-2005.

The gross rate of school comprising at all education levels, by gender

Comprising rate	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005
Total	66,5	68,3	70,2	71,6	72,0
Female	67,8	69,8	72,2	73,4	73,9
Male	65,3	66,8	68,5	69,8	70,2

Source: National Institute for Statistics

Although, the attending rate of the compulsory education (in the present structure of 10 compulsory school years) has decreased significantly in comparison with the value of 97,9% registered by this indicator in 2002-2003 (period in which the term of the compulsory education was of 8 years).

Thus, it can be appreciated that the provisions regarding the extension of the the compulsory education period from 8 to 10 years didn't sufficiently achieved the target, an important proportion of the students interrupting prematurely the studies, especially the students in the rural area, with difficulties in pursuing the studies of

the inferior cycle of high-school. The attending degree of high-school and vocational education registers an ascendant tendency: on this whole level of education, the gross attending rate has increased from 71,7% in 2000/2001 to 76,6% in 2004/2005. The increase is relatively equal distributed between the high-school and vocational education. During the reference period, in the high-school education, the rate of comprising has registered a slightly increase at the level of the technological branch, as compared to theoretical and vocational branches. The great difference, of almost 27%, which is shown with respect to the gross rate of attending corresponding to the two residence areas (119,3% in the urban area and 18,9% in the rural one, in the school year 2004/2005) represents an element with direct negative influence on the education level and human capital qualification.

Enrolment rate in high-school and vocational education

Gross enrolment rate	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005
Total	71,7	75,1	75,0	74,7	76,6
Urban	110,4	115,5	119,5	119,2	119,3
Rural	15,2	16,4	15,9	16,6	18,9
Female	73,0	76,9	77,1	76,4	78,3
Male	70,4	73,4	73,0	73,0	75,1

Source: National Institute for statistics

Attending education rate by groups of age

School year	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005
Attending education rate at 15 years old	85,11	92,12	87,17	80,50	85,32	86,74
Attending education rate at 18 years old	47,06	54,47	58,21	62,14	57,41	62,96
Attending education rate at 20 years old	26,76	29,92	31,61	36,04	38,34	40,06
Attending education rate at 15-24 years old	36,96	46,61	42,56	45,77	46,88	48,53

Source: National Institute of Statistics

Sinusoidal evolution of education attending, on ages and groups of age, is the result

of mixed action of more elements:

- Graduate students of compulsory education from rural area and/or disadvantaged areas doesn't continue education due to specific social factors (low educational offer regarding the post-compulsory education in the rural area, low level of living);
- Enhancing the interest of students that graduate compulsory education for continuing education in high-schools, interest motivated by the possibility of continuing education in universities and of the higher possibilities for employment for students that graduate these education levels;

Rural education faces with serious problems that concerns education, due to access conditions (ex: isolated localities in the mountains areas, Danube Delta etc.) due to educational infrastructure and inadequate endowment, to low degree of geographical coverage and precarious quality of transport infrastructure etc. Moreover, the insufficient number of qualified teaching personnel in the schools from rural area remains a negative aspect in respect of assuring ***access to quality education*** in the rural area. Access to and education attending are limited by poverty degree that community confronts with and they are also limited by the relatively high cost of education (including basic education) which people can not assume. The highest rates of school abandon in the rural area are registered after the 10th grade, at the passing from the compulsory education to secondary superior education, a step that implies moving of the students to the urban area (because offers for the secondary superior education are quasi-absent in the rural area) but also at passing from the 8th grade to 9th grade (the last years of compulsory education needs also, in numerous cases, moving to other cities).

In case of **Roma community**, almost 12% of the children that are 7 to 16 years old have abandoned school before graduating compulsory education and 18% of these haven't attended any kind of formal education. Per total, over 80% of the

children that didn't attend any kind of education are Roma² and 28.6% of Roma are functional illiterate³.

During school year 2002-2003 Roma students have represented 2,0% from the total number of students registered at a national level⁴. Participation of Roma pupils to pre-school education is lower than to the primary education. Education attendance of the primary and secondary school decreased and reached 0,1% level in high-school. Beside natural causes, the educational level of the previous generations influences, in a negative way, attending education of the present generations of Roma children.

Also, absence of pre-school education and knowledge deficiencies of Romanian language of many Roma children affects their school performances. All these aspects have as a result the incapacity of many Roma children to be integrated in educational environment.

A lower degree attendance is registered also in case of children with **special educational needs**. The insufficient number of qualified teaching staff, low developed infrastructure and communication discrepancies between school and community contribute to increasing the number of children with special educational requirements, the number of unregistered children to schools and to absence of monitoring the integration process of children with special educational needs in mass schools.

5.2.3. Early school leaving

During the period 1990-2004 there may be noticed the persistence of high rates of premature school abandon by children of 18-24 years old, with an increasing tendency. Premature school abandon represents a negative phenomenon with direct

² Ministry of Education and Research, Science and Education Institute, Institute of Research for Quality of Life, UNICEF, "Attending Education of Roma children", Bucharest, 2002, p.47

³ „Roma people in Romania 2002” CASPIS

⁴ idem 5, p.50

impact on competitiveness and quality of human capital. The rate of premature school abandon increased from 22, 4% in 1999-2000 to 23, 6% in 2004-2005. There is a substantial gap in comparison with European indicators: rate of premature school abandon exceeds with more than 10% which represents the reference European standard set for 2010.

Early school leaving

(%)

	1999	2000	2001	2002	2003	2004		
	RO					RO	EU-25	EU-15
Early abandon of the educational system rate by the young people (18-24 years old), of which:	22,4	23,1	21,8	22,9	22,7	23,4	15,7 ^b	17,8 ^b
Male population	24,2	24,1	22,2	23,7	23,9	24,9	18,1 ^b	20,4 ^b
Female population	20,4	22,0	21,4	22,1	21,5	21,8	13,3 ^b	15,3 ^b

Source: National Institute of Statistics; Investigation of the labour force in households (AMIGO), annual average data; data for 2002, 2003 and 2004 have been extended in accordance with the results of the Census of the Population and Housing since March 2002; Source for EU-25 and EU-15: EUROSTAT, New Cronos, annual average data 2004.

^b series break – non-comparable data to previous years.

The rate of annual school abandon has increased twice and a half during school year 2003-2004 in comparison with 2000-2001 on the whole primary and secondary level (table 8). In case of secondary education, the registered growth has been almost three times more in the same period.

The studies performed indicate the fact that, in case of children who live in poor households, there are 2,3 times more chances to abandon school in comparison with the children who live in households that are not poor, this report increasing until 3,1 times more, in the case of those who live in households affected by extreme poverty.

School abandonment rate in primary and secondary education (%)

	2000-2001	2001-2002	2002-2003	2003-2004
School abandonment rate on residence areas and genres	0,6	1,2	1,2	1,5
Urban	0,7	1,4	1,2	1,3
Rural	0,6	1,0	1,3	1,7
Female	0,6	1,1	1,6	1,3
Male	0,7	1,3	0,9	1,7

Source : MoER, Report regarding the education status, 2005

On the educational policies and system level there have been adopted several measures in order to bring back to the system persons who abandoned school early, either immediately after abandonment, or later through training programs during the active life. The high rate of abandonment school related to the small number of those who go back to school after they abandoned it prematurely are elements that significantly affects the quality of the human capital in Romania.

5.2.4. Programs for ensuring equal access to basic education for everybody and post-mandatory

Ministry of Education and Research starting with 2005 to develop and apply several systematization and monitoring measures of public policies, especially of those that have an important impact on education access.

An important objective, part of the public policy for assuring an equal access to education all life long is Ensuring equal access to basic education for everybody and post-mandatory.

In order to achieve this objective, there are several programs, financed by Romanian Government and European Union, some finalized and other that are still developed.

- ⇒ The rehabilitation program of the educational infrastructure for pre-university education, has as main objectives:

- rehabilitation, modernization and endowment of 1400 schools for pre-university education
- Improvement of education conditions in order to increase quality of education and educational act. The total amount allocated for this program is 201 millions EURO

⇒ The program that concerns Rural Education has as main objectives:

- minimum sanitary conditions in schools from poor areas and endowment of 1500 schools for pre-university education
- improvement of education conditions
- building institutional capacity for Ministry of Education and Research

The total amount allocated for this program is 34.4 millions USD (24.013.206 EURO).

⇒ The Programme access to education of disadvantaged groups, focusing on Roma, with a budget of 8.33 millions EURO was developed during 2002-2004 in the counties: Arad, Bucharest, Buzau, Calarasi, Cluj, Dambovita, Galati, Giurgiu, Hunedoara, Vaslui. The objectives of the program were:

- increasing quality of education in pre-school education, in order to stimulate registering children for mandatory education;
- children stimulation in order to finalize basic education (preventing of early school abandon)
- ensuring second chance in education for persons who didn't finalize studies in mandatory education.

⇒ During 2003-2004, it was developed, a program with a budget of 150.000 EURO: Access to education for disadvantaged groups, with the following objectives:

- achievement of a national plan regarding integration of children with special needs in mass schools;

- preparing of a training plan and module materials for teachers training that work in integration schools;
 - achievement of a best practices guide regarding integration of children with special needs in mass schools.
- ⇒ During 2006-2008, it will be implemented a Development Program of Educational Campuses. The total amount for this program is 360 millions EURO. During this period it will be arranged 80 campuses, beneficiaries of this program being 10% of the total students.
- ⇒ Another important program is: Program for ensuring school transport. This program was designed in order to optimize pupils transport through school mini-bus acquisition. For year 2006 is allocated 1.3 millions EURO. Beneficiaries are pupils and teaching staff from rural areas. Other beneficiaries of these transport facilities will be pupils from disadvantaged groups, Roma communities, rural area and pupils with special education needs.
- ⇒ A very important program is for increasing access to basic education for disadvantaged groups:
- “Money for high school” consists in providing a financial aid for pupils from families with low incomes. The end of the program will be year 2006.
 - “EURO 200” consists in providing a 200 EURO financial aid for pupils and students from families with low incomes, in order to buy computers. The end of the program will be year 2006.
 - “ School supplies”. This component’s objective is to provide for families with low incomes school supplies for children in order to start efficiently new school year.

⇒ Program for computerizing schools has been accomplished during 7 September 2005 – 31 March 2006, and there were delivered 40.414 computers to units of secondary education, especially for pupils from rural area. It was accomplished the protocol by whom, SNCFR – places 3600 km of optical fiber at Ministry of Education and Research disposal for internet connections of all the education units.

⇒ Ensuring equal access to university education:

The purpose of this program is to increase the number of youth from disadvantaged groups who attend university studies. Beneficiaries of this program are youth from rural area, youth that belong to Roma population and those that belong to families with low incomes. Program has several components, which involve:

- Granting scholarships for students from rural area; maximum of scholarships is 1000 scholarships per year and total sum per month is 350 RON.
- Granting annual of 420 places financed from state budget for Roma youth ;
- Euro program 200-4, with a total amount of 5.000.000 Euro/year.

5.3. Access to health services

Health services care are provided through a network of sanitary units (hospitals, polyclinics, health centres and other institutions), that belongs mainly to public system. The privatization process in health area had an ascendant character, thus in 2004 units with private capital had 86,4% of the polyclinics networks, 89,4% of the pharmacies and 95,9% of the total pharmaceutical shops.

Also, another phenomenon was related to the decrease of the number of beds to 1000 persons (from 7,4 in 1997 to 6,6 in 2004). This reduction follows the global tendency of decreasing the number of hospital beds and transfers attention in health care area to out-patient care. The degree of using the hospital beds was 300

days/year, in TBC sanatoriums 310 days/year, in observation sanatoriums 257 days/year and in the medical-social units 213 days/year.

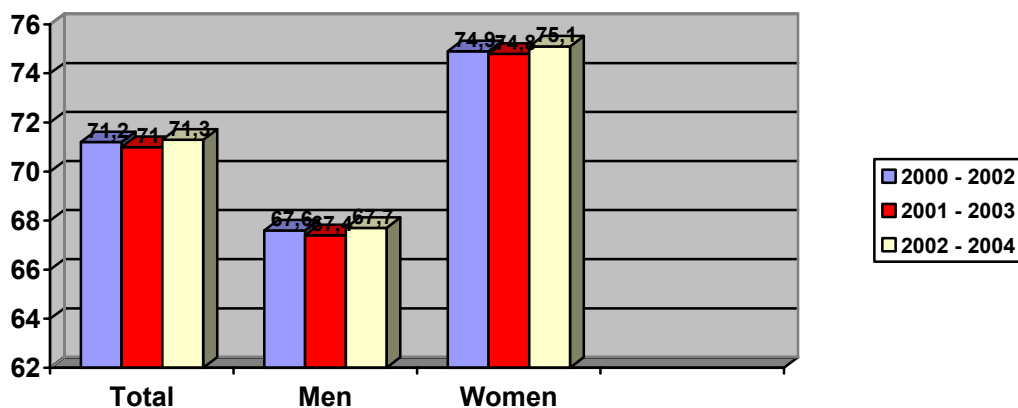
In 2004, in health public system worked 58.057 physicians (including dentists), 8763 chemists and 112.683 medium sanitary workers. Out of this number only 11,7% have performed activities in the rural area.

Life expectation on birth during the period 2002-2004 was 71,3 years, higher with 0,3 years in comparison with the period 2001-2003 (67,7 years for men and 75,1 years for women).

Life expectation on birth, by sexes:

	2000 – 2002	2001 – 2003	2002 – 2004
Total	71,2	71,0	71,3
Women	74,9	74,8	75,1
Men	67,6	67,4	67,7

Source: National Institute of Statistics



A distinctive feature of Romania is the fact that life expectancy at one year old is higher than life expectancy at birth, respectively 71,55 years in comparison with

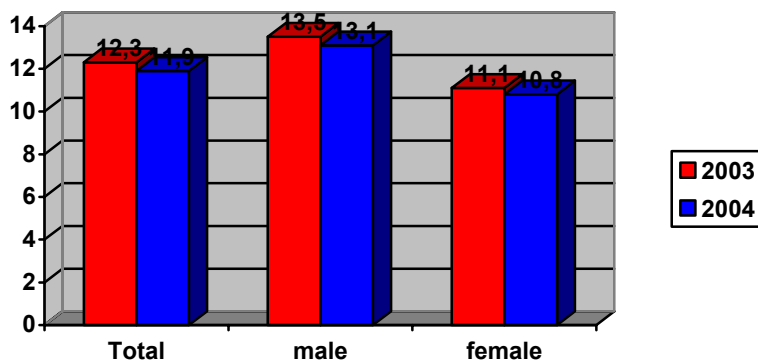
71,32 years (for the period 2002-2004). This is due to a higher value of infantile mortality rate.

In 2004, the general mortality rate was 11,9 deceased persons to 1000 inhabitants (12,4‰ in 1997). The infantile mortality rate had a descendent evolution, from 22,0 deceased to 1000 new-born children in 1997 to 16,8 deceased in 2004.

The general mortality rate, by sexes:

	2003	2004
Number of deceased persons	266,6	258,9
General mortality rate (‰)		
Total	12,3	11,9
Women	11,1	10,8
Men	13,5	13,1

Source: National Institute of Statistics



The general mortality rates reached a high level in 2004, starting with the age groups of persons over 60 years, as it is presented in the following table:

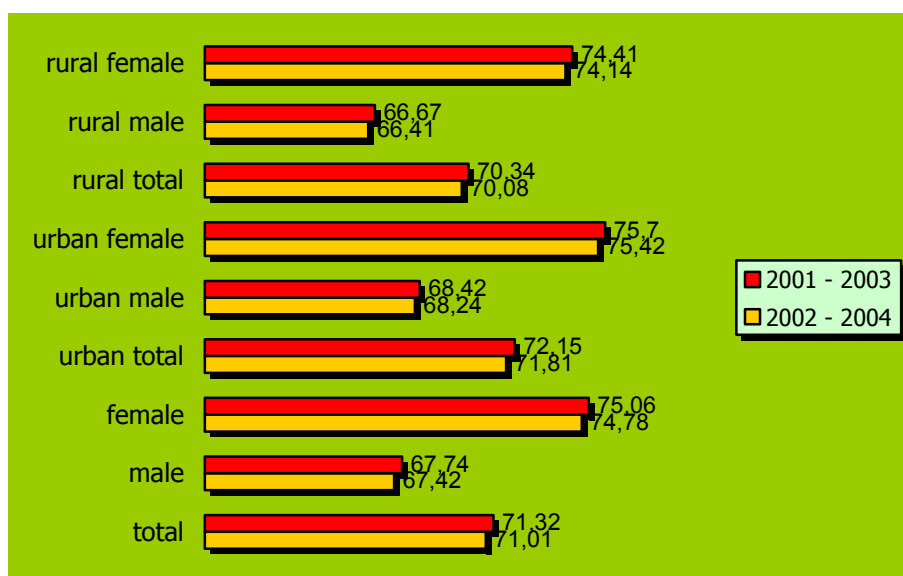
	60 – 64 years old	65 – 69 years old	70 – 74 years old	75 years old and over
General mortality rate (‰)				

Total	18,0	27,3	41,8	101,3
Women	11,5	19,0	32,8	95,0
Men	25,6	38,1	54,0	111,6

Source: National Institute of Statistics

Due to a different level of mortality, the average life length of the population from the urban area, between the years 2002-2004, has been superior to the one in the rural area with 1,81 years.

The average life length on sexes and residence areas:



The universal access to the minimal package of medical services represents one of the constant interests in health area. In this respect, a priority program with

permanent bases is represented by the campaign of vaccination of citizens, performed by the responsible institutions.

In 2005, 8,5 million doses of vaccine were purchased, thus the average vaccine coverage of the country reached approximately 96% for the diseases that can be prevented through vaccination. The main diseases for which the vaccination of the children was ensured were tuberculosis, poliomyelitis, rubeola, measles, diphtheria, tetanus, pertussis, viral hepatitis of type B.

In the first trimester of 2006, a number of 850.000 vaccine doses were purchased, a quantity of approximately 4.000.000 vaccine doses being in course of purchasing.

In order to increase the population's access to medical assistance, through framework Contract regarding the conditions of providing medical assistance within the social insurance system for the year 2005, approved by G.D. no.52/2005, with further amendments and completions, in the relation stipulated by contract of the medical services providers with the health insurance funds, the obligation of the medical service providers to inform insured persons has been brought under regulation. The information refers to the basic services package, the minimal package of medical services and the services package for the persons insured optionally.

Also, for universal access to medical services, the family physicians offer medical assistance for all insured persons registered on their own list. Thus, according to the basic medical services package, they ensure medical assistance for emergency situations to any person who needs these services, ensure medical assistance for persons who doesn't give proof of insurant quality and of payment of the contribution to the unique national Fund of health social insurance, according to the minimal package of medical services, as well as for the categories of persons who insure themselves for health optionally, in accordance to the law.

By the Order of the minister of health and the president of CNAS 56/45/2005 for approval of the Methodological Norms for the application of the framework contract regarding the conditions of providing medical assistance within the system of health social insurance for the year 2005, with further amendments and completions, there has been brought under regulation the List of medical services and the list of medical devices of which the insured persons benefit within the health social insurance system, included in the basic medical services package, in the minimal medical services package and in the medical services package for the persons who insure themselves for health optionally.

In order to increase the performances of the health insurance social system, through Law no.95/2006 regarding reform in health area, co-payment for the medical services provided in specialized medical assistance will be introduced. This measure represents a first step in order to eliminate the informal payments and to decrease the number of unjustifiably requested medical services.

For supporting the disadvantaged groups and increasing the access degree to medical services offered by the system, a series of programs have been developed, such as:

⇒ community medical assistance; program introduced in the year 2004, it presently benefits of 463 community medical assistants, who serve 554 communities. The population number covered by the community medical assistants is composed of 259.229 inhabitants (of which 32.281 women of reproductive age and 58.488 children with age between 0-18 years);

⇒ development of the network of social assistance services in hospitals; 60 social assistants have been employed, and 200 persons from the medical network have responsibilities within the social assistance area;

⇒ development of the network of sanitary mediators; until present, a number of 159.182 persons of Roma origin have benefited of support/services from sanitary mediators.

The most important action accomplished for the support of the disadvantaged groups regards the familial planning measures:

⇒ There have been information, education and communication campaigns carried on by the departments of health promoting within the public health offices, with the support of communitarian medical assistants, Roma sanitary mediators, other local public authorities (county school inspectorate, DASPC) or non-governmental organizations active in the area.

⇒ Implementing a system of periodic supervision of the pregnant woman during pregnancy period through permanent medical supervision achieved as a result of initiating The Pregnant Woman Book and the annex File for medical supervision.

⇒ Development of a system of pre and post natal diagnostic for early identification of malformations through adequate endowment with equipments, set of instruments and reactive of several centres that allow performing the specific activities of clinic diagnostic and laboratory testing as well as setting a database and national records for malformations and genetic vices. (1259 children have been clinic and Para clinic evaluated, being made 1065 molecular tests and 103 genetic biochemistry tests).

⇒ Distribution of iron products for the prophylaxis of anaemia feripriva on pregnant women and child and its consequences: premature birth, newborn children with low weight on birth, increased perinatal mortality (53 152 children, 45 899 pregnant women of which 26 248 from the rural area).

⇒ Training the primary medical assistance personnel in the rural area, as well as in the urban areas with population in difficulty, and also the medical personnel from the school medical cabinets, in order to ensure the familial planning services.

⇒ Legislative amendment for free contraceptive products for women who had an abortion, for a period of 6 months.

A series of important actions have been undertaken in order of increase citizens' knowledge degree of illnesses prevention:

⇒ Distributing informative materials for the population – posters (50.000 pieces) – banners (50000 pieces) – flyers (50.000 pieces);

- ⇒ Developing information and education campaigns for the population:
- ⇒ There have been organized 900 actions of informing and educating population regarding tuberculosis;
- ⇒ There have been 42 campaigns IEC for "International Day Without Tobacco", one in each county, in the first trimester of 2006;
- ⇒ Broadcasting the TV spots made in 2005, action financed through the program 1.5 of the Counselling Centre for quitting smoking, Bucharest;
- ⇒ National Conference of Tabagism, Iasi, 10th-11th of March 2006.

Prevention of malnutrition for premature born and of rachitism and anemia at children was concretized in interventions that focused on:

- ⇒ acquirement of specific dietetic products, medicines needed for preventing malnutrition and logistics necessary for their administration;
- ⇒ acquirement of nutritive supplements with special medical destination;
- ⇒ administration of dietetic and medical treatment needed, monitoring the patients in treatment. Number of beneficiaries increased to 16224 premature born from 11907 in 2004 and 3893 premature born in 2003.
- ⇒ Preventing rachitic cases is an action at national level and it focuses on acquirement, distribution and administration of vitamin D to the target-population. 220 440 children were included in the program, in comparison with 164 628 children in 2004. From the total of 220 440 beneficiaries, 102 270 children (51%) were from rural area.
- ⇒ Prevention of anemia in children is focused on acquirement and distribution of iron containing medicines, with priority for the children in risk situation. There were included in the program 102 170 children who are between 2-12 months, from which 53 831 children (57.6%) from rural area.

In 2006, **the Ministry of Health allocated important funds for the system of mental health**. The funds allocated for the National Program of Psychiatry were multiplied 5 times, from 20 billions to 100 billions lei. The funds are used for setting

up 8 pilot centers for communitarian mental health, and also for partial rehabilitation of 6 psychiatric hospitals that belong to the Ministry of Health.

The activity was also focused on:

- ⇒ elaboration of National Strategy in the field of mental health;
- ⇒ elaboration, with the help of a project funded by European Union, of the National Action Plan in the field of mental health. The Action Plan aims to shift the focus from hospital care to communitary care;
- ⇒ starting the procedures for setting up a national center for mental health;
- ⇒ re-assessment of ill persons from psychiatric institutions and from those under the subordination of National Authority for Disabled Persons;
- ⇒ setting up a training plan (specialization in the psychiatric field) for the specialization of 300 psychiatrists to cover personnel deficit. The curricula for the specialization in psychiatry will also be revised and will focus on the legal aspects and human rights respect in order to change the mentalities in society and system.

In 2006, the following measures were taken:

- ⇒ the National Center for Mental Health within the National Institute of Research – Development in Health Field has been set up.
- ⇒ there were employed 110 observers of patients' rights in psychiatric hospitals.
- ⇒ 10 Community Centers for Mental Health were founded.
- ⇒ funds were allocated for improving conditions in 7 hospitals.

The integration of mentally ill persons in society becomes a short-term priority for the Romanian authorities, so in the last year large funds were allocated for setting up 50 communitary medical care centers, by transforming the mental health laboratories. These centers will perform the therapy and social insertion of mentally ill persons in society.

5.4. Access to housing

Regarding the dwellings endowment with centralized installations (electricity, water, sewerage system), it is noticed that:

⇒ 220.337 dwellings, of which 131.636 were resided with 419.318 inhabitants don't have access to any kind of common equipments;

⇒ 1.427.060 dwellings, of which 1.270.627 were resided with 320.000 inhabitants have access to water only outside the house (inside or outside building) and access to sewer system only outside the house;

⇒ 256.679 dwellings, of which 233.401 were resided with 711.361 inhabitants, have the toilet outside the house.

Through the housing program, in 2005, 190 dwellings have been built for social housing and 3435 houses for youth have been built, in order to be rented. In the first trimester of the year 2006, the number of dwellings for the young people for rent was 150.

Also, within the same program there were built 128 apartments for the purpose of necessity dwellings.

Other preoccupations within the housing area aim at consolidating the multi-floor buildings classified as class I of seismic risk that are considered public danger, as well as thermic rehabilitation of multi-floor buildings built during the period 1950-1985. The undertaken actions were:

⇒ approving the Action Program for 2005 through GD no.805/2005, which regarded 26 multi-floor buildings, of which 3 are in Bucharest and 23 in 6 counties;

⇒ signing *The Execution Contract* by MTCT and GTZ – under *The Agreement of technical cooperation*, concluded at governmental level between Romania and Federal Republic of Germany –, amounted to 900.000 Euro, which will cover technical assistance and supplies – financing Grant Germany;

- ⇒ pre-evaluation of the project proposals “Elaborating the methodology of calculating the energetic performance in buildings”;
- ⇒ initiating the information campaign regarding the *Program for thermic rehabilitation of multi-floor buildings*;

The total number of multi-floor buildings classified in the first class of seismic risk that represent public danger is 127 in Bucharest and 7 in the country. Of these, in the first trimester of the year 2006, 55 were in different stages of project and execution, and 3 have been finalized since 2005.

With respect to the results of the actions regarding the thermic rehabilitation of multi-floor buildings built during the period 1950-1990, it can be mentioned that, in 2005, 23 buildings have been already finished, out of 26 buildings in different stages of finalizing, and in the first trimester of 2006, 180 buildings were in different stages of finalizing.

At the same time, several programs for rehabilitation and quality increasing of the infrastructure (water, sewers, roads) were developed.

In 2004, the number of the cities with public sewerage systems was 675, with 1,7% higher than in 2003. In 2005, sewerage systems have been implemented for a number of 31 villages.

The total simple length of the sewer pipes was 17514 km in 2004, higher than the previous year by 1,9%.

For the year 2006, the actions in this field aimed at the following:

- ⇒ initiating a new project that aims at the rehabilitation of water supply and sewerage systems, as well as the stations for treating potable water and the used water in cities with a population up to 50.000 inhabitants;

⇒ negotiation for receiving a credit of 340 million euros from the Development Bank of the European Council for a program that will be implemented, during 2006 – 2009, especially in the cities that could not access ISPA and SAPARD funds and in cities that have a low capacity of financing such projects.

In the year 2004, of the total expenditures of a household, 2,7% have been used for furniture, endowing the dwelling and housekeeping.

Level and structure of expenditures for furniture, endowment and housekeeping, on households categories, in 2004

- monthly lei for a household -

	Total households	Of which household of:			
		Employees	Farmers	Unemployed	Pensioners
Total expenditures	10.499.436	13.989.539	9.611.319	7.920.217	8.246.790
Of which:					
Total expenditures of consumer	7.520.003	9.811.404	5.770.956	6.395.714	6.089.831
Of which:					
furniture, endowment the dwelling and housekeeping.	283.533	422.027	170.716	253.145	192.614
Weight expenditures for furniture, endowment the dwelling and housekeeping.	2,7%	3,0%	1,8%	3,2%	2,3%
- in total expenditures	3,8%	4,3%	3,0%	4,0%	3,2%
- in total expenditures of consumer					

Source: National Institute of Statistics

With respect to endowment of the population with long-term use goods¹, in the year 2004, by comparison with 2003, the following facts have been noticed:

- the greatest increase has been registered in endowment of the dwellings with audio devices (22%), in 2004 being 628,7 radios to 1000 inhabitants;
- endowment with vacuum cleaners has increased with 15,9%, the average being 154,7 vacuum cleaners to 1000 inhabitants;

¹ National institute for Statistics – “Romanian social and economic situation in period 2003 – 2004”

- endowment of the population with gas cookers and TV sets has increased with 13,5%; there were 261 gas cookers to 1000 inhabitants and respectively 415,8 TV sets to 1000 inhabitants;
- a significant increase has been also registered for endowment with washing machines, that is 12,2% for the year 2004, thus the average being 212,5 washing machines to 1000 inhabitants;
- with respect to the endowment with refrigerators, there is an increase of 6,9% (279,9 refrigerators to 1000 inhabitants);
- purchasing of cars has registered an increase with 4,4%, and there were 123,9 cars to 1000 inhabitants.

5.5. Access to social services:

The social services system represents the active component of the social care system having an important role in the promotion of the social inclusion of the persons in difficulty.

The efforts of the sectorial strategies' development² have represented the political orientations for promotion of the social inclusion:

Creating a qualitative system of social services, adapted to the real needs of the population has been the main interest and to this respect there has been instituted the system of accreditation for the public and private providers of social services.

According to the legal provisions in force, *granting the social services can be made only by the accredited providers of social services.* Introducing of this new system in Romania aimed the stimulation of a qualitative system of social services

² National strategy of the social services development (G.R. no.1826/2005); National strategy of the development of the social assistance system for elder persons 2005-2008 (G.R. no.541/2005); National strategy for the protection, integration and social inclusion of the persons with disabilities 2006-2013 (G.R. no.1175/2005); National strategy in the area of preventing and fighting the phenomenon of domestic violence (G.R. no.686/2005); National strategy of social inclusion of the young people who leave the child protection system (G.R. no.669 / 2206); Action plan for implementing the new legislative package in the area of child protection (G.R. no.1058/2005).

development. Therefore, the accreditation gives, to a certain extent, the security that the providers of social services will offer services that respond to a minimal principle of quality, so that they respect the requirements of the beneficiaries.

The accreditation process of the providers of services has been brought under regulation through **Government Decision no.1024/2004 for the approval of the Methodological Norms for the application of the provisions of the Government Ordinance no.68/2003 regarding the social services, as well as of the Accreditation Methodology of the providers of social services.**

Within the accreditation process, respecting qualitative standards for the services for which the provider requests accreditation is one of the essential conditions, and analyzing of fulfilling them will be part of the evaluation report. The standards that must be fulfilled in order to obtain accreditation have been approved through **Order no.383/2005 for the approval of the general standards of quality regarding the social services and the evaluation method of fulfilling them by the providers.** The standards depend only on principles and values, are applicable to all social services and, the most important, lead to a qualitative approaching of social services development, in consideration of the principle to learn from examples of good practice and therefore to continuously try to improve the activity.

Until the 1st of May 2006 there have been accredited a number of 648 providers of social services, public and private, of which:

- 26 general Directorates of social care and child protection subordinated to the county council;
- 62 public services of social care subordinated to the local councils;
- 487 NGOs;
- 71 public institutions;
- 2 authorized residential persons.

Supporting the public and private providers of social services for the development and increasing the number of social services has been another step for the effort to improve the quality of life for the disadvantaged groups.

The Government of Romania had a constant interest in the implementation process of the social services in order to favour the social inclusion of the vulnerable groups, assuring the financial support through programs of national interest (**Government Decision no.197/2006**). Thus, for the first time, there have been approved a number of 9 programs of national interest which address to the following disadvantaged groups: persons with disabilities, old persons, homeless persons, persons that are victims of the domestic violence. The total sum granted to achieve this program is 64.544.000 lei.

At the same time, the program for granting subventions continued in accordance with **Law no.34/1998 on granting of some subventions to Romanian societies and foundations with legal entity which set up and manage units of social assistance**. For the year 2006 there have been proposed for subventions 68 societies and foundations which assure social services for a number of 9445 beneficiaries. The budgetary effort for the year 2006 is of 450.000 lei RON.

Development of the social services is also supported through projects with international financing.

Thus, through the project "Development of the social sector" financed by the World Bank, during January 2005 – May 2006 there has been implemented an investment scheme in the area of development and diversifying the social services, of the total value of 3 million USD. There has been implemented a number of **70 projects** of social services for 11.320 beneficiaries.

Also, there has been negotiated and approved a new loan from the World Bank, having the total value of 47.2 millions EURO, for promoting social inclusion of the following vulnerable groups : persons with disabilities, persons who are victims of

the domestic violence, Roma population, young people who leave the child protection system.

The development of the social services will be supported also through the financial support of the European Union, therefore, during the multi-annual programming Phare 2004-2006 is to be implemented a scheme of investments having a total value of approximately 24,20 MEURO. Through this scheme of investments there will be financed the primary services as well as the specialized ones as they are defined by the actual legislation, and the applicants will be public providers of social services alone or in partnership.

6. PROTECTION OF THE DISADVANTAGED GROUPS

6.1. Child and family protection policies

Starting with 2005, interests in child protection area have focused on the implementation of the new legislative package concerning protection and promoting child rights. The implementation of the new legislation is done on base of Action Plan approved in September 2005 and through was established the responsibilities in order to ensure an effective implementation of children rights. Also, the new legislation establishes responsibilities of the authorities, at central and local level. The main results achieved are the following measures:

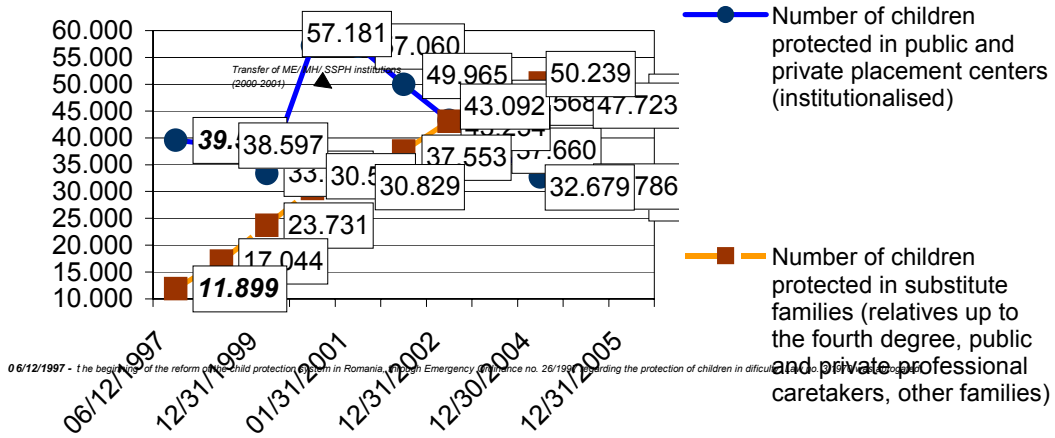
- Harmonization of all the provisions regarding the child and family included in the normative documents in force;
- carrying on national campaigns to inform and sensitize the population;

- forming and informing actions for all categories of specialists who come into contact with children so that they store necessary knowledge for implementing the legislation (pluri-disciplinary and inter-institutionalized education);
- setting up a telephone line with free access, at national level;
- implementing the decentralised approach of the competencies in a manner that assures observance of the children and of the families rights unitary throughout the country;
- Supporting the local councils to develop the preventing function.

In respect of the results of implementing the new legislation, until April 2006, there can be mentioned the following:

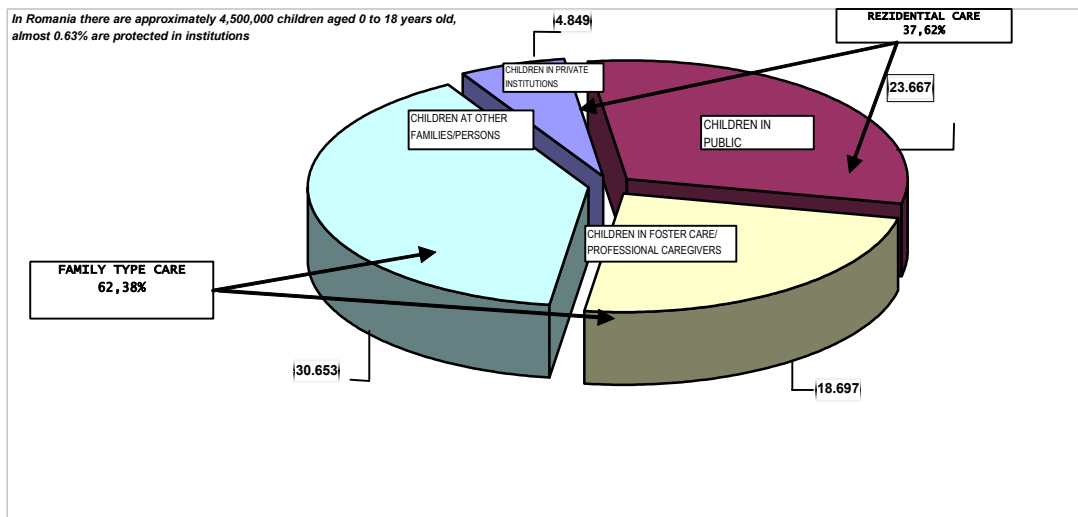
- The number of the institutionalised children has decreased from 37.660 to 28.516;
- There have been given for use 81 houses and 87 apartments where the children benefit of a protection of familial type (from a total of 300 houses and 403 existing apartments at the end of March 2006);
- The number of specialized maternal assistants has increased from 10.888 to 14.289;
- The number of the protected children in substitute families (specialized maternal assistants, relatives up to the fourth degree inclusive) has decreased from 46.568 to 49.350.
- The number of services has increased from 537 to 589. Actually, there were set up 97 new services, taking into account the transfer of the 45 daily services from a county level to a local level.
- At the end of March 2006 the number of large institutions with more than 100 children was 40 in comparison with 205 institutions in 2001.

**Dynamics of the number of children protected in familial and residential system
12.06.1997 - 31.03.2006**



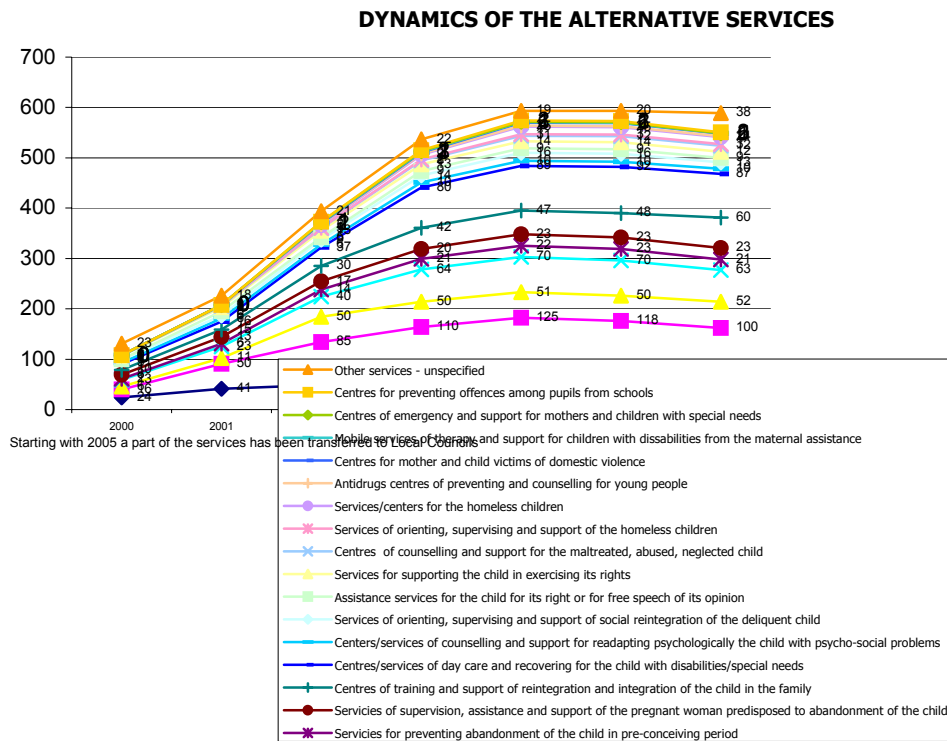
Source: National Authority for Child Protection Rights

Children protected by temporary protection measures in substitute families and in placement centres (active cases on 30th of March 2006)



Source: National Authority for Child Protection Rights

Development of alternative services to institutionalization has represented the priority of all national programs. As a result of these actions there may be noticed a dynamics of development of alternative services, which is presented in the chart below:



For the development of the alternative services there have been promoted National Interest Programs in 2005 and implemented with the support of nongovernmental organizations, therefore were created:

- i. 2 services of professional orientation and counselling (one residential, the other a day centre) for the young people who left the protection system.
- ii. 2 transit centres for the protection of the repatriated children and victims of traffic.
- iii. 2 intersectorial local teams for preventing and fighting the exploitation of children through work in the counties Bistrița Năsăud, Mureș, Vrancea, and Alba and 40 focal points (community advisory structures).

- iv. 108 social community services: 26 services for preventing separation of the child from his parents (5 day centres, 5 counselling centres for parents, 16 services of monitoring the pregnant woman predisposed to abandon the child) and 82 social assistance services in city halls, within there were employed 96 persons.

For 2006 there has been approved the development of 6 national programmes from which can be mentioned:

- "Development of the network of community social services from child and family and supporting families in crises for prevent the separation of the child from his family", having the budget of 6.088 thousands lei, which aims at setting up at least 50 services of preventing the separation of the child from his family in at least 10 counties, employing of 200 persons with responsibilities in the social assistance at the community local councils level, as well as setting up of 200 community advisory structures and training of their members.
- Program " Setting up the placement centres – homes and apartments for children institutionalised in centres with a capacity of 100 places which doesn't was restructured on family types" with a budget of 3.492 mii lei. Will be set up at least 6 centres on family type and closing 3 centres with a capacity highest of 100 places.
- Program " Development of alternative services for children with disabilities / handicap/ HIV/AIDS with a budget of 2.260 mii lei were will be set up 4 alternative services for children with disabilities/handicap/HIV/AIDS from Braila county, as well as the following the program started in 2005 „Developing day services / recovering services and/or closing the old type institutions for children with disabilities/handicap which can not be restructured / rehabilitated. The results will be setting up 2 Multifunction Centres for children with handicap (Râmnicu Vâlcea and Lugoj) were are included 2 placement centres (4 family types homes and an administrative pavilion) and

extension of the day centre for children with handicap from Babeni, Vâlcea county.

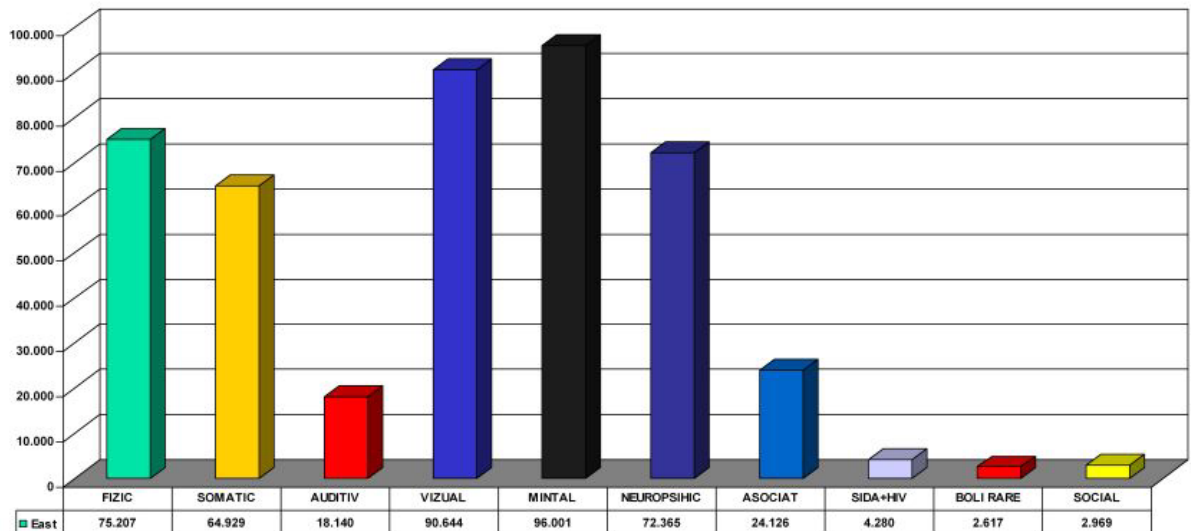
In respect of social reintegration of the homeless children, there has been promoted the project "Initiative homeless children" financed by the Development Bank of the European Council with the amount of 5,739 million EURO. Through this project, 20 centres will be created for a number of 300 children and approximately 150 social workers will benefit of training programs.

In the reference period, programs with external financing continued (program of reform financed by BIRD and BDCE, grants schemes within the Phare Programs 2001 and 2002, Childnet Program), have contributed to not institutionalised children and assuring their adequate care, in a familial environment (houses, apartments, substitute families), as well as to reintegrate children in families.

6.2. Protection policies of the persons with disabilities

In the area of protection of persons with disabilities, the efforts focused on elaboration and implementation policies regarding protection, integration and social inclusion of this category of persons.

Distribution by disability degree (30 September 2005)



Sursa: National Authority for Persons with Disabilities

Creating and developing the system of community social services to support persons with disabilities, who are not institutionalised, allowing them to live independently their life, being assisted by a support network, has been the main objective to which all the efforts have been directed.

In 2005, 1 million Euro were allocated for financing a number of 48 projects, and following their implementation there have been created and developed a number of 40 social services, divided as follows: services of support and assistance for the persons with disabilities (11); services of training and professional integration (12); 10 centres for persons with disabilities of which: 2 breathing centres, 3 day centres, 3 pilot centres, 2 multifunctional centres. The number of beneficiaries of these services is 3612 persons.

In 2006, there have been allotted a series of funds necessary for rehabilitation, reorganization and creating of alternative services to institutionalization, that is:

- of the budget ANPH – 970 thousands EURO for financing a number of 22 projects filed by nongovernmental organizations. Implementing these projects aims at creating and developing a number of 13 social services,

divided as follows: services of assistance and support for the persons with disabilities (5); services of training and professional integration (4); centres for persons with disabilities - breathing centres (2); setting up protected dwellings and workshops (2).

- Of the Reserve Fund Budget existing at the disposal of the Government – 4,02 million Euro for hygiene or projecting works aiming at making capital repairs for a number of 59 residential centres;
- Of the European Union funds – 16,3 million Euro through which 36 old and big residential institutions will be restructured and 84 alternative services will be created at the same time;

At the same time, there has been developed a program for qualification of the personal assistants which offers social-medical services at the domicile of the person with disabilities according to the program of individual recovery and social integration of the person with disabilities, elaborated by the evaluation commissions for adults with disabilities, respectively the commissions for the child protection. Within the projects financed by ANPH, during 2005-2006, a number of 155 personal assistants of the persons with severe disabilities have benefited of professional training.

There is in process of implementing the public policies regarding facilitating access to physical, social and work environment at the request of the persons with disabilities of institutions of public interest. In 2005, ANPH financed the project of creating a complex software application, projected for monitoring the degree of facilitating access to physical environment.

In respect of accessing *informational environment*, at the Special School for Deaf People no.1 from Bucharest, took place the first class of interpreters of mimic-gesture language, specific for the persons with hearing deficiencies. A number of 17 persons have graduated this class and will become, after authorizing by the ANPH,

the first authorized interpreters of sign language specific for persons with hearing deficiencies from Romania.

Creating work opportunities for the persons with disabilities, through stimulating employers to employ persons with disabilities and especially through supporting professional training, continuous training of the persons with disabilities, it materialized in the following results:

⇒ in 2005, the total number of the employed persons with disabilities was 658 which of 217 persons through subsidies for the job. The number of beneficiaries of counselling services was 867 persons with disabilities representing 18,15% from total number of persons with disabilities registered at employment agencies; was included in vocational training a number of 114 persons. Until 30.04.2006 was employed 199 persons with disabilities of which 60 persons through subsidies.

⇒ the development of a network of protected offices, as a result of the global strategy of employment (in accordance with the order of the Minister of Health no.748/2002 for the approval of the employment criteria and the authorizing method of the protected offices). On the 31st of December 2004 a number of 39 protected offices were authorized, and on the 31st of December 2005 there were 41 authorized units. In these protected units work a number of 986 persons with disabilities.

Legislative framework:

In 2005, was adopted the National Strategy for protection, integration and social inclusion of the persons with disabilities during 2006-2013 "Equal opportunities for persons with disabilities – towards a society without discriminations".

The general objectives of the national strategy 2006-2013 are:

⇒ to promote social integration of the persons with disabilities as active citizens capable to control life, having the following specific objectives:

⇒ supporting for the families who have persons with disabilities within the family;

⇒ increasing the employment of the persons with disabilities on labour market.

6.3. Protection policies of Roma population

Roma population was 535.140 persons at the Census of 2002 (respectively 2,5% of population), representing the ethnic minority with the greatest natural growth after 1990. In 1992, Roma population represented 1,8% of the total population, and in absolute terms the difference in comparison with 2002 overcomes 134.053 persons, at the Census of 1992 being registered 410.580 persons of Roma origin.

The monitoring report on Romania – May 2006 regarding “Protection and integration of minorities” underlines the fact that “Roma access to identity documents, medical care, education, labour market and vocational qualifications remain a problem. There are necessary efforts for fighting racialism, xenophobia and other forms of intolerance. From an administrative and institutional point of view, ANR has weak instruments of coordination of the politics related to this area”.

Strengthening the institutional capacity of ANR:

The National Agency for Roma people has been funded in 2004, in accordance with Government Decision no.1703/2004. The main responsibilities of the National Agency for Roma people, completed I 2005, through Governmental Decision 1112/2005, are:

- ↳ Elaborating, monitoring and evaluation of the public policies for Roma people from Romania;
- ↳ Application, coordination, monitoring and evaluation the measures included in the Romanian Government Strategy of improving the Roma situation, approved through Government Decision no.430/2001 with further amendments and completion.

Reorganizing of the Agency has continued in 2005-2006 with a considerable growth of the number of employees and with organizing the regional offices of ANR. Of the 48 employees of the Agency, the majority are young Roma, graduated of the university education, young who have functioned until the present within different NOG's of Roma people in Romania; of these young people, a consistent percentage is represented by the persons of female sex.

In September 2005, the Agency has signed an agreement with the International Bank for Reconstruction and Development to obtain a grant having a value of 350.000 dollars, in order to develop the capacities of the local and central authorities, responsible with the Roma problems, to implement the Program of Social Inclusion of Roma people. Also, in order to strengthen the administrative capacity, through the Program of Social Inclusion of the vulnerable groups, the Agency benefits of a Fund of 1 million USD.

Intra-sectorial coordination:

In November 2005, in accordance with the Government Decision no.750/2005 regarding the constitution of the permanent inter-ministerial councils has been set up the Work Group for public policies for Roma people, which carries its activity within the inter-ministerial Council for education, culture, research, youth, sport and minorities.

In October 2005, in accordance with the president Order ANR no.143/2005, there has been set up the Consultative Council composed of members of the most important participative institutions to the implementing of the Government Strategy of improving the Roma situation.

Within the resort ministries, in accordance with the Government Strategy of improving the Roma situation, there have been set up the Ministerial Commissions

for Roma people, which have responsibilities of monitoring the implementation of the strategy in the area.

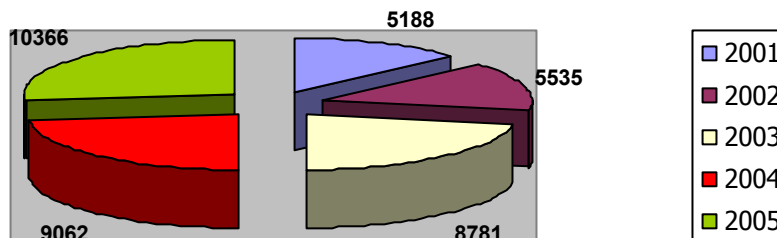
During the period 2005-2006, ANR has signed strategic partnerships with the responsible ministries, specialized institutions, intergovernmental and governmental organizations, internal and external, which implement public policies for the Roma people from Romania: the National Agency for Employment of the Labour Force (NAELF), the National Council for Fighting Discrimination (NCFD), the National Agency for Equal Opportunities (NAEO), the National Authority for Protection of the Child Rights (NAPCR), the Foundation for an Open Society (FOS), the Association for Community Safety and Anti-drugs (ACSA).

Until April 2006, the National Agency for Roma people has signed collaboration memorandums and conventions with social partners.

6.3.1. Access on the labour force market:

In order to increase the degree of employment of the persons of Roma origin, starting with 2001 the National Agency for Employment of the Labour Force has elaborated special programs for the persons of Roma origin. Through their application there have been employed 9.079 persons in 2004, 10.366 persons in 2005 and 4.564 persons in the first 4 months of the year 2006.

Evolution of the number of Roma employed persons - 2001 – 2005 –



Source: National Agency for Employment

Since 2003, every year, there is organized the **scholarship of jobs** for the persons of Roma origin. Through these scholarships in 2004 there have been employed a number of 2.257 persons, and in 2005 a number of 1.126 persons. For the year 2006, these scholarships will be organized in counties depending on the requirements of the labour market.

Also, in 2005, in every *county/Bucharest districts*, *collaboration protocols have been signed* between the agencies for the employment of the labour force and the counties offices for Roma people within the Prefecture. In these partnerships were implied other organizations which are interested by the Roma problems in the respective counties.

In order to have a good relation to the persons of Roma origin, as well as to those of the rural area, the agency has developed a new manner of action within the caravans of the labour force employment.

The *caravan* is one of the measures that come to meet the needs of the citizens directly in the middle of the communities. It is an opportunity to disseminate

information regarding the rights and services for the citizens, in accordance with the legal provisions in force, but also an opportunity to identify problems and obstacles, the persons from the rural area and those of Roma origin confront.

During 15th -19th of August 2005 it took place the *first edition* of the Caravan employment for Roma people, and there were visited 208 Roma communities, where 14.360 persons of Roma origin took part, of which 5.754 women of Roma origin. This action has been reinitiated starting with the 1st of November 2005 and it extended to 28th of December inclusive. On this edition 515 communities were visited and 11.408 persons participated, of which 4.875 women.

As a result of this action, 4.898 persons have been registered in the database, of which 1.600 women, being accomplished the employment of a number of 1.296 persons, from which 330 women.

In the year 2006, during the period 09.01.2006 - 31.03.2006, 986 communities were visited. A number of 24.156 persons of the respective communities participated to this action. As a result, 8.351 persons have been registered in the database, being accomplished the employment of a number of 1.182 persons.

6.3.2. Access to identity documents:

Efforts have been made regarding the activity of *complying with the laws in force, with documents of civil status and identity documents of the citizens of Roma origin*. To this respect, in August 2005, was signed a Protocol of collaboration between the Ministry of Administration and Interior, the General Inspectorate of the Romanian Police, the Ministry of Labour, Social Solidarity and Family, represented by the National Authority for Protection of the Child Rights and Romani Criss, the Centre of the Roma people for Intervention and Studies. The purpose of the protocol is to counsel and guide the Romanian citizens of Roma origin in order to obtain the civil

status certificates and the identity documents. As a result of these actions, at the end of March 2006, the activities results of complying with the laws in force with the civil status certificates and the identity documents are presented in the table:

	With civil status certificates	With identity documents
No. of persons registered at the beginning of the action	460	6891
No. of persons registered during the action of complying with the laws in force	11297	103050
Persons complied with the laws in force, since the beginning of the action	11376	105071
Persons remained registered, with indefinite situation	381	4870

Source: the Ministry of Administration and Interior

6.3.3. Access to education:

Romania promotes the principle of equal opportunities in education regardless the individual characteristics – mental or physical deficiencies, socio-economic environment, native language, ethnic origin, geographic area etc. The Romanian legislative system stipulates the right to education for all children, regardless the nationality, religion, sex etc., through a series of general regulations, included in Constitution and in the Education Law, as well as in other regulations for preventing and fighting discrimination.

A series of ameliorating policies of school attendance on a general level have been associated with specific regulations for the population of Roma origin:

- granting special places for Roma candidates for admission to high-school and professional education: in the school-year 2003/2004 the number of the places available for Roma candidates on high-schools and professional schools has been 1918, and in the school-year 2004/2005 their number increased to approximately 2500;
- promoting the young Roma in universities and university colleges through:

- granting an increased number of subsidized places, especially for the Roma candidates (in the university year 2003-2004, 422 places have been granted, and the degree of occupancy for these places was 67%; in the university year 2004/2005, 399 places have been granted);
- stimulating the training of teaching staff familiar with Romani language;
- creating classes/groups within the normal schools and the educational colleges for training the future teachers/instructors of Roma origin;
- carrying on classes of initiating/perfecting the knowledge of Romani language for the teaching staff of Roma origin or not, qualified or unqualified;
- functioning of the Romani language and literature section within the Faculty of Foreign Languages and Literature of the University of Bucharest;
- organizing classes of long-distance education for school teachers, with studies of Romani language;
- stimulating Romani language studies through special measures;
- organizing Romani language studies as a native language;
- encouraging schools to employ qualified teaching personnel for teaching Romani language or, in their absence, high-school graduates or of at least 10 classes, of Roma origin;
- organizing the first school with teaching in Romani language;
- elaborating programs, manuals and auxiliary materials for Romani language and for the history and traditions of Roma minority;
- assuring, in every school inspectorate, a position of inspector for Romani language, in order to monitor attendance to education of Roma children and young people.

6.3.4. Access to health services:

During the period February 2000 – January 2001, Romani CRISS started a project of “training sanitary mediators in compact communities of Roma people in Romania”.

In 2002, with the financial support of CCHD (Catholic Committee against Hunger and for Development - France), Romani CRISS has trained 84 sanitary mediators. The candidates were women of Roma community with an average school level – minimum 8 classes. Romani CRISS has initiated the elaboration of a first “Practical Guide of the sanitary mediator”. Elaboration of this guide has been possible, also, through financing OSCE/ODIHS – contact point for Roma and sinti people.

In 2003, Romani CRISS objective was to train new sanitary mediators, in order for these to be employed by the County Offices of public health, according to the Order no.619/2002 of the Ministry of Health.

In 2004, Romani CRISS organized 3 steps within the continuous training with 96 sanitary mediators.

At present, Romani CRISS has already trained over 360 sanitary mediators. From the information provided by NOG’s, 264 sanitary mediators have been employed by 38 public health divisions, in accordance with the Order no.619/2002 issued by the Ministry of Health.

Social intervention of the mediator must lead to acknowledgement of the problems related to vaccination, discovering and caring, as well as preventing diseases within the communities.

6.4. Social inclusion of convicted persons

During the year 2005, increased attention has been given to the steps taken for training and professional qualification of the persons exclusive of freedom, aiming at increasing opportunities to be employed on the labour market, this aspect being

considered decisive for their social reintegration and for preventing the risk of relapse.

To this end, the efforts for organizing and development of teaching and qualification classes for a specialty have intensified, trying to qualify in the activity areas required by the labour market.

As for the convicts that attend the classes at School for Arts and Trades, we mention that a considerable increase was registered as against the year 2004, rising **from 169 registered persons to 283.**

During the school year 2004 – 2005, 1751 persons from penitentiaries attended classes of training and qualification, of which 324 minors, 146 women and 1281 men, and during the school year 2005 – 2006, a number of 1866 persons from penitentiaries have registered to these classes, of which: 102 minors, 166 women and 1598 men.

In respect of professions, the most convicted persons have been or are to be qualified or trained for trades that can offer them opportunities of professional and social reintegration: carpenters (215), PC operators (74), clothing manufacturers (60), welders (44), locksmiths (43), vegetable growers (42), farmers (37), cooks (31), osiers knitters (29), locksmiths for metallic constructions (26), wood lacquerers (24), barbers (23), lathe men (21), builders (21), auto mechanics (21), house painters (20) etc. At the end of the qualification classes, the graduates receive diplomas issued by the Municipal Agency of Employment of the Labour Force or by the County Agencies of Employment of the Labour Force. The diplomas are recognized by the authorized organism, which is The Ministry of Labour, Social Solidarity and Family.

The convicts qualification takes place also within the penitentiaries, either through their own forces or benefiting from the support of a state institution (the County Agency of Employment the Labour Force, the National Agency for Agricultural

Counselling, the County Centre of Agricultural Counselling etc.) or of some nongovernmental organizations (Romanian – German Foundation).

In order to make the activities of professional training efficient, qualification classes, which address to a small number of convicts, a series of activities for informing, counselling and professional mediation takes place at the same time, aiming at stimulating and professional orientation of as many persons exclusive from freedom as possible. The total number of participants to such activities is summed up to 4711 convicted persons, of which 419 minors, 95 women and 4197 men.

These type of programs are carried on, in most penitentiaries, with the support of the Counties Agencies for Employment of the Labour Force, but also due to the intervention of the specialists of Social Reintegration Services organized in every penitentiary, who created the premises of assistance and informing the convicts.

Also, we mention that a number of 200 minors exclusive from freedom are registered at the School of Arts and Trades, and, after a more rigorous selection that identifies the interests and abilities of the minors, their number will increase accordingly.

6.5. Measures for social inclusion dedicated to drugs users (addicted people)

In 2005 were realized actions about the development of community services aimed to prevent and decrease the activities which can harm or damage. These activities were realized especially by NGOs for 8465 beneficiaries.

The main services provided were: counseling before and after HIV tests, information about the hypodermic syringes exchange, etc. The program of syringes exchange was addressed to 4878 beneficiaries (2,5% more than 2004). From the total of 1.548.765 free hypodermic syringes, 47.250 were returned.

For setting up these kind of activities, had been signed a co-operation protocol between Ministry of Health, Ministry of Justice and Ministry of Administration and Intern Affairs. This protocol develops programs of integral services (medical, psychological and social care) for the convicted people who suffer by drugs addiction. From the total of 37600 convicted persons, 2402 had recognized that they are drugs users, which means 62,88% from the total of convicted people.

In 2005 the Ministry of Health granted 13.900 Euro for the treatment of drugs users, and 33.300 Euro in 2006.

The tendency for the last five years that concerns drugs users who ask for medical treatment is irregular, therefore 1538 persons asked medical treatment in 2005 confronted by 2134 persons in 2001.

From the total of drugs users which ask medical services:

- 46,48% for heroin users
- 11,3% alcohol addicted people
- 10,27% tobacco addicted
- 2,27% cannabis
- 0, 31% cocaine.

The activity pursues approaches for the prevention and drugs decrease measures in schools and in community.

- National Program "Education for health in school": were trained 12.000 teachers, were realized for them methodological guides, manuals for pupils and other informative materials as course supports. The Ministry of Education and Research allocated for 2005-2006 a budget of 1.000.000 USD for the payment of these 12.000 teachers. For this activity The Ministry of Health allocated in 2005 89.966 Ron.

- National Program "Education for democratic citizenship" – was implemented in the school-year 2003-2004 in Bucharest and in other 10 counties, and in 2004-2005 was extended in other 20 counties. In September 2005, in the frame of this program it was developed the trainers training program at national level, the total budget allocated by Ministry of Education and Research being of 10.000 USD. For the school-year 2005-2006, we estimate the commitment of over 2000 teachers which can implement this program at national level.
- At the level of The Drug Prevention, Evaluation and Counseling Centers from the six districts of Bucharest and from Iasi, Constanta, Cluj and Timis it is established the priority development of 13 local projects for drug demand reduction. These projects were realized in schools in partnership with public local administration and/or NOGs. The professionals from these services were employed in March 2005.
- The Drug Prevention, Evaluation and Counseling Centers developed in each County Community have organized from beginning of this year a total of 1339 public information actions from which: 699 in schools, 33 in foster care, 10 in disco, 17 in clubs, 20 in children's palaces, 21 in reeducation centers for minor, 50 in university camps, 19 in parks, 257 in public local institutions, 62 in family medical cabinet, 14 in owner's associations, 10 in local police stations, 121 in enterprises, trade unions and employers unions. As a result, 61.000 persons – most of them pupils and students – have been informed about the danger of drugs use and risk factors.

7. EQUAL OPPORTUNITIES FOR MEN AND WOMEN

In order to implement the principle of gender equality, the efforts focused on strengthening the institutional capacity: in April 2005, the National Agency for Equal Opportunities for men and women was set up. At the same time, taking into account the transversal character of the area, the National Commission for equal opportunities for women and men was set up at county and national level, respectively the county commissions, gathering representatives of public

administration, central and local, as well as of partners with responsibilities in the area.

In the legislative area the National Strategy for equal opportunities for men and women, for the period 2006-2009, and the General Plan of actions for implementing the strategy have been approved. The main objectives of the Strategy are: improving the national legislative framework, strengthening the capacity of National Agency, improving women's socio-economic condition, encouraging the equal participation of women in the decision making process and fighting against the stereotypes based on gender.

The law project of amendment and completion of the Law no.202/2003 on equal opportunities for women and men is in parliamentary proceedings. The main modifications are:

- Reconsidering the statute of Agency by organising it as State Secretariat;
- Setting up county structures of the Agency;
- Increasing the Agency's level of independence;
- Transposition of the aquis-communitaire in the field;
- Clarifying the competences concerning the recording and sanctioning of discrimination forms based on gender criteria.

The activities for sensitizing and informing of the citizens regarding gender equality represented another concern. Thus, a series of instruments were created: the web site of the Agency (the web page can be used by the blind persons as well), editing and publishing the magazine "Public M.E.O. – the Magazine for Equal Opportunities", creating and broadcasting an advertising clip "Take part to the decision!".

8. STRENGTHENING THE COORDINATION MECHANISM OF POLICIES FOR SOCIAL INCLUSION

As a result of signing the Joint Inclusion Memorandum on 20th of June 2005, the coordinating role of the social inclusion policies has been given to the Ministry of Labour, Social Solidarity and Family. In this respect, the Directorate for policies, strategies, and social inclusion programs was set up, in accordance with the *Government Decision no.412/2005 regarding the organizing and functioning of the Ministry of Labour, Social Solidarity and Family, with further amendments and completions*, with the main responsibilities of monitoring and coordination of the implementation of the priorities identified in JIM, as well as collecting the quantitative and qualitative data in the area.

For the coordination of the strategic process regarding social inclusion in Romania, the *Government Decision no.385/2006 on setting up a Managing Committee* has been adopted. The Committee includes persons from directorial positions of the institutions with responsibilities in the social inclusion area.

Also, the *Order of minister of labour, social solidarity and family no.436/2006 regarding the mechanism for monitoring the identified priorities in the social inclusion area* has been adopted.

Based on this Order, the work method has been established, the main responsibilities of the Division of politics, strategies, and social inclusion programs have been completed and, at the same time, all the sectorial indicators for monitoring that will be used in the progress report regarding social inclusion have been approved.

Monitoring indicators have been synthesized on operational objectives identified in the Common Memorandum regarding Social Inclusion, namely:

- Stimulating participation to labour market;
- Promoting reconciliation of professional life with familial life;
- Developing and implementing a coherent strategy of reforming the pension system;

- Developing an efficient system for familial services;
- Restructuring and implementing an efficient and modern system of social assistance;
- Initiating an innovative mechanism of stimulating persons who benefit from the guaranteed minimum income;
- Improving the educational system by increasing the rate of school attendance and correlating with the requirements of the labour market;
- Improving access to medical services for all citizens;
- Promoting a social policy for covering the need for social housing or emergency housing;
- Increasing the implication degree of justice and police in the social inclusion process;
- Promoting socio-professional integration of the persons with disabilities;
- Developing integrated measures of child protection;
- Promoting social inclusion among Roma communities;
- Developing measures for gender equality correlated to social inclusion.

The coordination mechanism is also to be found, transversally, at the level of the actors implicated at the county level, thus **the directorate of social inclusion** was set up on every territorial division level in accordance with the *Order of minister of labour, social solidarity and family no.254/30.03.2006 regarding the approval of Regulation for organizing and functioning of the territorial Directorates of work, social solidarity and family.*

In these circumstances, the monitoring and the evaluation of the social inclusion are being carried out through an informational managerial system that allows the collecting and analyzing of the information on the area.

In order to *promote the dialogue* between all partners involved in elaborating and implementing the social inclusion policies, on the date of 30th of November 2005 the first international Conference was organized, with the social inclusion theme. The

reunion was organized by the Ministry of Labour, Social Solidarity and Family in collaboration with the European Commission. The conclusions of this first reunion were:

- Future development of the social inclusion policies must take into account 4 key notions: *integrated approach, partnerships, measurement indicators of programs efficiency, strengthening connections with the local administrations.*
- Continuing the process of facilitation the exchange of information, started through this Conference;
- Elaborating in January 2006 the first report regarding the actions and implementation level of social inclusion policies that must take into account the operators opinions from the system;
- Implementing the priorities identified in the Joint Inclusion Memorandum, as well as promoting the experiences of good practices identified between partners, in the national policies (legislation, operational programs, administrative modernization);
- Training the personnel of this system in order to be able to implement the assumed priorities, especially to attract 3 billion Euro to which is added a co-financing, which will be allotted to Romania through the European Social Fund after adhesion;
- Clarifying the role and responsibilities of every actor of the system regarding the administration and spending the money of ESF, the "pilot" role of this process belonging to the Ministry of Labour, Social Solidarity and Family;
- Definite and justifiable identification of targeted priority groups which have problems and which need measures in order to ensure an increase of the national welfare and an efficient drawing of funds – eliminating money dispersion.

Approximately one year after the signing of the Joint Inclusion Memorandum, during the period 30th-31st of May 2006, the second international Conference took place, with the theme: "From examples of good practice to social policies – the premises of an inclusive society".

The objectives of this reunion were:

- Developing a creative educational process through a forum for discussions on which the participants exchanged opinions regarding their own experiences;
- Implicating the local authorities and the civil society in the development, implementing and evaluation of social inclusion policies;
- Promoting dialogue between local authorities, civil society and the representatives of governmental institutions, political decision takers and other relevant actors for fighting against poverty and social exclusion.

The conference was structured on 4 work groups whose debates focused on the following themes:

- "Social integration and social rights of homeless persons";
- "Vulnerable groups and inclusion on the labour market";
- "Vocational evaluation and training for persons with disabilities";
- "Strengthening the local ability regarding the development of integrated inter-sectorial policies".

At the same time, visits to examples of good practice were also carried out in Brasov County, the thematic being selected in accordance with the themes of the work groups (Annex no.5).

- Day centre and night shelter for homeless persons, Brasov;
- Workshops for adults of the Roma families, Tărlungeni, Brasov County;
- The centre for young people with disabilities "CANAAAN", Sercaia;
- Educational centre "Poiana Soarelui" (services of socio-professional integration of young people), Brasov County.

Proposals to improve the mechanism of institutional coordination regarding the social inclusion policies:

At central level:

1. Constituting a **unit of social inclusion** organized in every central institution. The inclusion unit will collect and analyze the sectorial social indicators, thus creating the premises for elaborating of periodic reports on the accomplished progress.
2. Personnel supplementation, in order to elaborate social statistics, at the level of the Department of policies, strategies and social inclusion programs from MLSSF.

At county level:

1. constituting a prefectorial group which will have the responsibility of periodical evaluation of the implementation degree of the local measures in the social inclusion area.
2. completing the main responsibilities of the social inclusion division organized at the level of the Department of labour, social solidarity and family, with actions regarding the process monitoring.

CONCLUSIONS AND FUTURE DEVELOPMENT DIRECTIONS

GDP has registered an increase in the year 2005, according to the intermediary data, of 4,1% compared to the year 2004. EUROSTAT projects forecast a continuous increase of GDP per inhabitant (on Standard Purchasing Power Parity) and in the following years, estimating that in the year 2007 it will reach 35,2% of the average UE-25.

GDP dynamics registered in the first trimester of 2006, as compared to the first trimester of 2005 was 106,9%. For the end of the year 2006 an increase of 6,8% is forecasted.

Poverty dynamics show a constant decrease in the last years, decrease that maintains also in the first semester of the year 2005 when poverty rate registered a value of 18,2% compared to 18,8% in the year 2004.

Starting with January 2006, of the total number of 5,65 million pensioners of the public pensions system a number of **3,79** million pensioners benefited of an increase with **9,3%** following the recalculation process, obtaining an equal or higher score than the one paid.

Also, **512 000** pensioners benefited of an average increase of **3,86%** obtaining a lower score, but close to the one paid. We mention that this category of pensioners will entirely benefit of the increasing of the point value, starting with 1st of January 2007.

For approximately **1,35** million pensioners, for which a lower score was obtained following the recalculation process, the pension was maintained at the level paid and not diminished according to the new score obtained. These pensions will not be increased until the average individual score, multiplied by the value of the pension point, will determine an equal or higher amount than the one paid.

Starting with September 2006, an increase of the value of the pension point is forecasted, by 3 percentage points, leading to an increase of the nominal value of the average pension from the public pensions system with 30,81% compared to the value of December 2004 which, in real terms, is situated around 15%.

On the labour force market a dynamic increase of the employment degree in the year 2005 was registered, compared to the previous year, mainly in the activities represented by constructions, trade, hotels and restaurants, real estate transactions, lease and services activities. Positive economic tendencies are represented by the constant increase of the employment weight in the private sector.

The unemployment rate has registered a decrease, in April 2006 a rate of 5,9% being registered. The unemployment rate for women has been 1,8 percentage points lower than the one registered for men (4,9% as against 6,7%). Efforts must to be focused on increasing labour market participation for the risk groups.

In the area of familial policies and child protection, a vast reform that aims at modernization of institutional construction as well as ensuring the social rights which will assure the increase of the system efficiency and the decrease of the administrative costs policies was promoted and is in the process of implementation.

Ensuring an adequate income for persons in need was and will be a major preoccupation of the authorities.

For the first time the services of social inclusion are technically and financially supported by more financiers through programs of national interest as well as through refundable loans and PHARE funds which lead to the increase of life quality for the categories of disadvantaged persons, in the residential environment as well as at domicile. Setting up a qualitative social inclusion services represents other challenge that requires focusing efforts in the near future.

Started with 2005, premises for setting up a coordination mechanism of the social inclusion policies were created, by giving this role to the MLSSF. For 2006, it is necessary to strengthen the institutional arrangements for mainstreaming social inclusion in national policy and ensuring a better coordination between public and government institutions as well as with civil society.