



ROMANIA

STRATEGIC NATIONAL REPORT REGARDING
SOCIAL PROTECTION AND SOCIAL INCLUSION

(2008 – 2010)

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PART I – GENERAL CONTEXT

1.1. Assessment of the social situation

1.1.1. The demographic situation:

Over the past decades, the Romanian population has experienced significant and alarming alterations, with long-term negative trends. Beginning with 1990, the total population has decreased each year, with an average annual rhythm of 0.2%. The most significant decrease was during 1992 – 2002, when the population decreased by 1.1 million inhabitants. The negative values of the natural increment together with those of the external migration balance caused the population to decrease during 2002 – 2007 by 268 thousand people. The demographic evolutions over the past years have led to a decrease in the young population of ages 0 – 14 and to an increase in the percentage of the elderly population of 65 or older. Data indicate a decrease by 8.3 percent in youth during 1990 – 2007 (23.7% in 1990 and 15.4% in 2007, respectively), as well as a growth by 4.6 percent (10.3% in 1990 and 14.95 in 2007, respectively) in the elderly population of 65 or older. The potentially active population, of ages 15 – 64, which provides Romania's labour force, oscillated between 66.0% in 1990 and 69.8% in 2007.

Significant changes occurred in the age structure of the population at the age admitted for work, namely:

- thousand people -

| Age group | 1990 | 2007 | Change 2007/1990 | |
|----------------------------|--------|--------|------------------|----------|
| | | | Absolute | Relative |
| 15-24 years old | 3.803 | 3.216 | -587 | -15,4 |
| 25-34 years old | 3.174 | 3.465 | 291 | 9,2 |
| 35-44 years old | 3.086 | 3.093 | 7 | 0,2 |
| 45-54 years old | 2.681 | 2.965 | 284 | 10,6 |
| 55-64 years old | 2.576 | 2.305 | -271 | -10,5 |
| Population 15-64 years old | 15.319 | 15.043 | -278 | -1,8 |

Source: National Institute of Statistics

The economic dependence ratio of inactive people above 65 in every 100 economically active adults (20 – 59 years old) was of 34 percent, likely to experience a dramatic increase over the following decades.

In a total population of 21,584,365 inhabitants, Romania had a birth rate of 10.2 born alive in a thousand inhabitants in 2007, compared to a general death rate of 11.7 deaths in a thousand inhabitants. During 2004 – 2006, the average life expectancy in Romania was 72.2 years, with

significant differences between the male and the female population (68.7 years for men and 75.5 years for women), compared to the EU-27 average, which is around 75 years in men and above 80 years in women.

The distribution of households according to the number of children below the age of 18 supported by their parents indicates a high percentage of households without children (68.5% in all), which is high both in the urban and in the rural areas (66.95% in the urban area and 70.75% in the rural area). At the same time, households with 1 child cover 57.3% of all households with children. Households with one child are more common in the urban environment, while those with two, three, four and more children are more common in the rural environment.

Judging from the analysis of both national and international data, according to the forecasts and without considering the external migration but estimating a growth in life expectancy at birth, Romania's population will decrease from 21.5 million inhabitants in 2007 to 21.2 million in 2013, to 20.8 million in 2020 and to 19.7 million in 2030. If we take into account the growth of mobility and the effects generated by the external migration, Romania's population could reach 20.8 million inhabitants in 2013, 20 million in 2020 and 18.6 million in 2030, according to the forecasts.

These aspects have very important consequences in all the areas of the economic and social life, such as education, labour force employment, professional training, social and health services etc.

1.1.2. The economical situation:

During 2001 – 2007, Romania's macroeconomic performance significantly improved, thus allowing the Gross Domestic Product (GDP) to experience an average annual growth rhythm of above 6%, among the highest in the region. In 2007, Romania's Gross domestic Product reached approximately EUR 121.3 billion, which meant a triple amount compared to the year 2000. However, GDP per inhabitant calculated for the standard purchasing power was almost 41% of the EU27 average.

After 1990, the structure of the Romanian economy went through important changes, essentially consisting in a transfer of activities from the industry and agriculture initially to services and subsequently to constructions. In the first phase, the restructuring of industry led to a reduction of its contribution to the composition of the GDP from approximately 40% in 1990 to around 25% in 1999. After 2000, the structural downfall was stopped and the contribution of industry to

the GDP remained at a relatively constant level. It is important that in 2007 the private sector created 86.6% of the gross value added in the industry, as compared to 68.4% in 2000. The percentage of the service sector grew to 26.5% of the GDP in 1990 to approximately 50% in 2007.

In 2007, total incomes in a household were 21.7% higher as compared to 2006 (the nominal value being RON 1686.7/month) and incomes received by a person were 22.1% higher than in 2006 (the nominal value being RON 577.7/month). From the income structure point of view, there is a significant weight of incomes in kind (18.9%), of income from social benefits (19.8%). Salaries and the other salary associated incomes are the most important category of revenues, which came up to 51.3%, on the rise by 2 percentage points as compared to 2006, but decreasing compared to the characteristic in other European Union countries. As to total expenses of households, they are close to the amount of the total incomes (91.4%). The main destination of a household's expenses is the consumption (72% of all expenses per total households in average). It is important to mention that 61.4% of all expenses goes to purchasing food and non-food products, as well as to payment of services. A significant weight in the total of expenses, namely 15.0% consists in income taxes, contributions to social security budgets, social security taxes and other taxes and fees. 35.3% of these expenses consisted in the salary tax and 61.7% in the payment of social security contributions.

1.1.3. The situation of labour force employment:

The evolution of society over the past years was influenced by the economic reforms that generated deep changes on the Romanian labour market. The social conditions have caused the decrease in the natural life increment and the growth of temporary and permanent migration, which in turn led to a constant reduction of population and, implicitly, of the active population. Further to analysing the structure of the active population per age groups, it is noticeable that there are obvious aging tendencies. The highest percentage is that of people above 35.

Activity and employment rates for the population at the age admitted for work (15 – 64) have showed a growth trend as compared to 2005, reaching 63.7% in 2006 and 63.0% in 2007 for the activity rate. In 2007, the employment rate had the same value as in 2006, namely 58.8%, but being in on the increase compared to 2005. However, there are fields such as constructions, real estate transactions, rental and service activities rendered especially to companies, health and social security, public administration and defence, commerce, hotels and restaurants, financial transactions, in which the employed population experienced increases, these areas being

considered as having potential for development over the following period. The total population will decrease as a result of the reduction of population above 65 and the active population aged 15 – 64 will rise; thus the activity rate reaches approximately 67.6% in 2010.

In 2007, the long term ILO unemployment rate came up to 3.2%. of which 3.6% for men and 2.7% for women. The difference between the urban and the rural areas regarding the long term ILO unemployment rate came up to 1.5 percent in 2007, against the urban environment 93.9% in the urban area and 2.4% in the rural area, respectively). The very long-term unemployment rate tends to decrease, thus reaching 15% in 2007 (1.9% in the urban area and 1.1% in the rural area).

Of the total number of households, 68.8% include employed people, in the urban area the percentage being higher than in the rural area (70.9% compared to 66%). Among households that include employed people, the highest percentage belongs to households with 2 employed persons (47.1% at national level and 51.1% in the urban area). Among households whose provider is a woman, 49.1% do not include any employed people.

The main challenges of the labour market for short and medium term are: the effects of the economic restructuring process, low participation of youth and of vulnerable groups in the labour market, the significant rate of employed persons in the agricultural sector and the human resources quality level.

1.1.4. The evolution of poverty:

According to the data supplied by the National Institute of Statistics in 2007, approximately 18.5% of the Romanian citizens are poor (18.3% of men and 18.8% of women). During 2004 – 2007, there was a stabilisation of the relative poverty rate level around 18% - 19%. From the point of view of the residential environment, the rural environment continues to deal with a greater occurrence of poverty and severe poverty, while poverty rates in the rural environment came up to 29.6% in 2006, compared to 9.6% in the urban environment. The comparative analysis of 2007 as to 2006 shows that the poverty rate in the rural environment grew from 29.6% to 29.9% in 2007. Consequently, approximately 70% of those exposed to the poverty risk live in the rural environment.

From the point of view of the household type, there are four types of households that experience a higher poverty rate, namely: single persons, namely 27.9% (22% of men and 30.8% of women), thus 9.4 percent more than the national poverty rate; single parent families

(31%); families with 3 or more children (40%), as well as single persons above the age of 65 (33.4%).

The poverty rate among children aged 0 – 15 is 24.7%, that is 6.2% percent more than the national average. Moreover, according to the available data, there is a high poverty rate among young people (ages 16 – 24), namely 20.4%, which is 1.9% more than the national poverty rate and 1.1% more than the poverty rate among elderly persons (65 and above).

As in every European country, the unemployed deal with a higher poverty rate in Romania, that is 37.9%, which is, however, below the European average, while retirees deal with a poverty rate that is 2.8 percent lower than that of the unemployed (15.7%).

Furthermore, there is also a regional discrepancy as far as poverty rates are concerned; the highest poverty rate in 2007 was in the North – East region (26.2%) and the lowest in Bucharest – Ilfov (4.6%). There is also a high poverty rate in the South – East regions (24.2%) and the South –West regions (23%).

As to the income inequality (S80/S20), it is noticed that in 2007, the total income received by 20% of the people with the lowest income was 5.1 times higher than the total income received by 20% of the people with the lowest income. Compared to 2006, there is a decrease in the inequality of income from 5.3% to 5.1% in 2007. This is particularly due to the evolution of economy and thus to the GDP per inhabitant, as well as to the labour market situation.

1.2. General strategic approach

Romania's main objective set forth in the National Reform Programme refers to the assurance of an operation of the labour market that favours the active inclusion of vulnerable groups. In order to achieve this objective, there will be focus on:

- ensuring an operation of the labour market that favours the creation of jobs, the reduction of undeclared work and the adequate management of changes on the level of enterprises and workers;
- promoting social inclusion and improving access to the labour market for vulnerable groups;
- promoting competitiveness on the labour market, especially by improving the cooperation between the educational and training system and the demands of the labour market.

The national reforms taken into account shall aim at ensuring a steady macroeconomic climate by continuing the economic growth efforts, at increasing investments in economy and in the social sector, at the promotion of social inclusion and at the increase of the offer of better-paid jobs. Now, during the new programming cycle and in a new "era" of rethinking all the instruments of economic and social policies on a community level, Romania undertakes to harmonise these major objectives with the new integrated general rules regarding the improvement and employment, with the recently released renewed social Agenda and with the new cycle regarding "The Open Method of Coordination".

In order to develop efficient social policies, national reforms shall be constructed by a collective effort with the help of the majority of the political decision-makers, ensuring an equitable redistribution of resources as a result of competitive economy and market.

Monitoring the social protection system is the key element of the Romanian social policies. Its reformation aimed and is still aiming at the creation of a system that supports all those employed on the labour force, as well as people who experience difficulty. The fight against poverty and social exclusion continues to be one of our national priorities. In this sense efforts shall still be made in order to implement strategies for the promotion of the social inclusion of disadvantaged people by encouraging them to actively participate in the labour market and in the society. Thus, special attention shall be paid to avoiding the creation of dependence on receiving social benefits and measures shall be taken in order to encourage vulnerable people to find an active place for themselves in society.

Concretely, the measures taken during 2006 – 2008 shall continue during 2008 – 2010. It may be noticed that measures have focused during 2006 – 2008 on the assurance of sufficient income, on the reorientation of measures so that a system that may create dependence might transform into an active system. “Social activation” as a means of reintegration of disadvantaged people is a notion that must be understood by citizens but also by the professionals in the system and this can only be accomplished by means of important information and awareness campaigns regarding the advantages of such an approach.

A continuous approach, on which the Romanian government must carry on with its solution efforts, is represented by the differences between the legislative provisions and their degree of implementation. As to the area of social inclusion, efforts shall aim at the actual implementation of sector strategies in the area, aiming at the improvement of the standard of living for various vulnerable groups, namely: youth moving out of foster care centres, elderly people, disabled people, children with difficulties etc. At the same time, during this period there shall be a development in the monitoring and assessment instruments for the results obtained as a result of the implementation of these strategies and the efficiency and effectiveness of the measures shall be evaluated.

The demographic changes in the past decades, that is the aging of the population and the birth rate decrease, as well as the financial pressures on the pension systems caused by these changes are sensitive items in the public agenda of all political decision – makers.

In the European context of reformation and modernisation of the pension system over the past years, Romania has adopted a system based on the diversification of the pension obtaining sources and that generates financial safety for elderly people, thus reducing the risks generated by the replacement revenues for old age, by the implementation of private pensions. The past three years, 2005 – 2007, were crucial for the reformation process, as the legislative framework has been set in order to regulate the organisation and operation of entities on the private pension market, as well as regulation and cautious surveillance of the administration of these funds by means of enforcing Law no. 204/2006 on elective pensions and of the alteration and addition of Law no. 411/2004 on privately administrated pension funds.

Thus, reforms already started shall continue to be implemented by focusing on providing the citizens with an adequate pension and trying to develop the three pillars of the system. Considering the statistic data that indicate the rate of dependence employees/retirees, Romania

needs to develop a system for promoting active aging by means of the introduction of specific measures for the stimulation of the participation of elderly people on the labour market, but also of other vulnerable groups that are currently experiencing low participation rates.

The implementation of the private pension system, for the purpose of ensuring additional income upon retirement, which should lead to the greatest extent possible to the adjustment and sustainability of pension incomes, shall continue to be a strategic objective. Reaching such an objective depends on the evolution of parameters influencing the accumulation of assets, such as: the level and distribution of insurance and contributions, as well as the level of return.

The health system has successively went through several phases for the consolidation and growth of performances, which led to the improvement of the population health state, as well as the development of human resources. Undoubtedly, more resources are necessary in order to ensure a financial sustainability that would be adequate to the health system but at the same time we need to ensure that the existent resources are used in rational way and aiming at the solving the genuine needs in the system. It also important that all the ongoing programmes guarantee access for all the citizens to quality health services but this can only be made by means of organisational improvement and by continuing the regulation of the minimum medical service package, which truly covers a person's minimum needs in order to have a good state of health.

PART II – THE NATIONAL ACTION PLAN IN THE AREA OF SOCIAL INCLUSION

Section 2.1. – Progress in the social inclusion area

During 2006 – 2008, Romania's strategic objective in the social inclusion area focused on strategic actions to lead to the creation of an inclusive society in which to provide the citizens with the resources and means necessary for a dignified life. In order to reach this objective, the main priorities identified consist in:

- the general growth of the population's standard of living and the stimulation of revenues gained from work, based on facilitating employment and promoting inclusive policies.
- Enabling the access of citizens, especially of groups that are disadvantaged from the resources, rights and services point of view.
- Improving the living conditions of Roma population

Social inclusion has been and shall still be on the Romanian Government's political agenda. The strategic approach regarding the elimination of social exclusion includes any form of exclusion, whether of gender, age, ethnicity and focuses primarily on the identification of the most vulnerable people, groups, communities etc. Dealing with these problems can only be made in an integrated framework that ensures the intertwining of the economic and the social development.

A multidimensional answer to the social need can only be given by means of a coordination of all levels involved. At the same time, coherent and integrated structures must be created in order to facilitate the monitoring and the assessment of national policies of social inclusion. There has been significant progress in this area, highlighting the active involvement of the responsible structures in the improvement of the citizens' standard of living.

Priority objective no. 1 – general improvement of the population's standard of living and stimulation of income gained from work by means of ensuring employment and promoting inclusive policies.

In 2007, 506,804 persons were employed thanks to the measures set forth in the national employment programme of all the 1,083,491 persons registered with the agency's registries (unemployed stock on January 1st 2007 plus the entries in the analysed period). Of the 506,804 people, 44,617 belong to groups with a more difficult access to the labour market, such as:

- 27,127 long-term unemployed people;

- 15,987 Roma people;
- 1,027 disabled people;
- 198 young people who have left the child protection system;
- 33 people who have left prison;
- 3 repatriated people, 4 refugees.

The structure per age groups of the 506,804 employed people is as follows:

- 113,924 people younger than 25;
- 133,752 people of ages 25 – 35;
- 135,621 people of ages 35 – 45;
- 123,507 people above 45;

Further to the implementation of the Special Programme enforced in 150 cities in disadvantaged areas or in cities with high unemployment rate, 33,506 people were employed compared to 16,000 people that were planned for employment in 2007, which led to 209.41% in terms of achievement percentage.

As a result of the employers' subsidisation for the employment of people above the age of 45 or who are sole providers of single parent families, 21,832 people were employed, of which 816 people (3.73%) were sole providers of single parent families. Moreover, 493 people who are 3 years away from reaching the legal retirement age were employed.

In order to promote employment of young people, one of the measures taken into account involves the subsidization of employers for the employment of graduates of educational facilities. In this respect, approximately 12,182 people were hired in 2007, of which:

- 1,624 graduates of the lower level of high-school or of arts and crafts schools;
- 5,412 graduates of superior secondary education or post-high-school education;
- 5,146 graduates of superior education;

During 2007, 618,527 job-seekers received professional information and counselling services, of whom 470,296 were newly registered persons (56.19% men and 43.81% women) and 148,231 persons who had returned from counselling. Compared to 2006, when 126,121 newly registered persons received counselling, in 2007 their number increased by 322,065 persons. As a result of participating in professional training and counselling services, 41,410 persons were included in professional training classes, 3,703 persons received consultancy for the start up of an independent business and 96,450 persons were reinstated on the labour market.

The implementation of the "From school to professional life to career" programme, which included 1,782 individual and group information and counselling sessions, focused on the improvement of employment opportunities by means of professional information and orientation activities for students in final years of high school and future graduates.

In 2007, on a national level, 2,486 professional training programmes were organized, 2,229 programmes for the unemployed who were registered with county employment agencies, 104 classes for inmates in prisons and 137 classes for the co-financing of professional training organised by the employers for their own employees.

The National Programme for the employment of socially excluded people was drawn up by taking into account the necessity of improving the social effects of the restructuring processes in the economy, as well as the persistence of the social exclusion risk for some categories of people who have difficulty in becoming employed. As to the access to a job, 2,212 solidarity agreements were concluded in 2007 with the following categories of beneficiaries:

- 334 youths coming from the placement centres and child care facilities within the specialised public divisions and private bodies authorised to act in the field of child protection (15.1%);
- 108 lone youths with children to support (4.9%);
- 439 family member youths with children to support (19.8%);
- 354 family member youths with no children to support (16,0%);
- 2 family member youths who executed penalties involving personal restraint (0.09%);
- 975 persons belonging to other categories of youths in difficulty (44.0%)

As a result of the enforcement of this law, 1,976 people were employed in 2007. The structure of the employed people is as follows:

- 240 youths coming from the placement centres and child care facilities within the specialised public divisions and private bodies authorised to act in the field of child protection (12.15%);
- 93 unattached youths with children to support (4.7%);
- 427 family member youths with children to support (21.6%);
- 348 family member youths with no children to support (17.6%);
- 1 family member youth who executed a penalty involving personal restraint (0.05%);
- 867 persons belonging to other categories of youths in difficulty (43.87%).

Priority objective no. 2 – Enabling access to resources, rights and services

The reduction of poverty has been and still is a major objective of the Government, which is included in the governing programme, as several measures have been taken in order to lead to the prevention of social exclusion.

The most important programme released by the Romanian Government for eliminating poverty is the guaranteed minimum income, which in 2006 2007 also represented a concern in order to ensure a good implementation. The levels of the guaranteed minimum income were correlated to other types of income of the population (the gross minimum wage per country, the unemployment allowance) and were determined according to the structure and number of family members. The initial amounts are indexed annually according to the inflation rate. The comparative analysis of the number of applications for social aid shows that there was a growth tendency until the end of 2004 and then their numbers began to drop and finally reached below the level of 2002 at the end of 2007, which is a result of the poverty reduction phenomenon and, therefore, of those who are entitled to apply for social aid.

Number of social aid applications

| 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
|---------|---------|---------|---------|---------|---------|
| 390,618 | 392,508 | 422,157 | 383,442 | 337,246 | 289,535 |

Source: Ministry of Labour, Family and Equal Opportunities

Granting the guaranteed minimum income is conditioned by the performance of an activity of local interest upon the mayor's recommendation and it is also an additional measure to the granting of other benefits, such as: medical insurance, emergency allowance, household heating allowance.

In addition, the reference period was influenced by a series of essential changes in the Romanian family benefits system, changes that primarily aimed at increasing the citizens' quality of life. Of the main social benefits programmes already in use, we remind the following:

- Programmes aiming at supporting families with children: the new-born allowance, the child raising indemnity and the bonus for the mother/father who return to the labour field although being in child raising leave, the new-born trousseau, the additional family allowance and the support allowance for the single parent family, the family placement allowance;

- The support programme for newly-formed families by means of granting financial support of EUR 200 upon marriage.
- The programme for granting household heating allowances, which witnessed an 8% increase of beneficiaries in the 2006 - 2007 cold season, compared to the 2003 – 2004 season, thus reaching 1,487 thousand people. A new system for granting of household heating allowances was enforced, which was more flexible and aiming at a positive impact on the improvement of the standard of living for disadvantaged people. Thus, for users of the centralised heating system with a monthly income per family member established by the legislative act, a monthly allowance is granted by means of a percentage compensation of the actual value of the thermal energy invoice. Single persons receive a compensation higher by 10% and single persons and families who receive social aids receive a 100% compensation. Single persons and families who receive social aid and who use wood, coal and petrol fuel to heat their homes receive RON 50 each month as household heating allowance.

The Romanian Government has always shown a constant interest in the process of implementation of social services in view of enabling the social inclusion of vulnerable groups, thus ensuring financial support by programmes of national interest. Thus, for the first time, 9 programmes of national interest were approved, aiming at the following disadvantaged groups: disabled persons, elderly, homeless, domestic violence victims. The total amount granted for the completion of these programmes came up to RON 64.5 million.

At the same time, there was a continuation of the programme for granting subsidies to the Romanian associations and foundations with legal personality who organise or manage social support units. In order to receive a subsidy for 2007, 3,110 financing applications were filed for 315 social support units and the selection process approved of 92 applications for 267 units and the total amount approved came up to RON 9,999,837.

The development of social services is also supported by means of projects with international financing. Thus, by means of the "Social sector development" project financed by the World Bank an investment scheme in the field of social services development and diversity, in amount of USD 3 million was implemented during November 2004 – May 2006. 70 social services projects were implemented for 11,320 beneficiaries.

A new loan amounting to MEUR 47.2 was negotiated and approved by the International Bank for Reconstruction and Development (the total value of the project is MEUR 79.4) aiming at the

promotion of social inclusion for the following vulnerable groups: disabled persons, victims of domestic violence, Roma population, youths who leave the child protection system.

The development of social services shall also be supported by the financial aid of the European Union as follows: within the multi-annual Phare 2004 – 2006 programming, there is an investment scheme in the course of implementation amounting to approximately MEUR 24.2. Currently there are 91 social services projects being financed and MEUR 8.9 were contracted, pending social services projects implementation in amount of Euro 7.2 million during 2008 – 2009.

Starting 2005, the interest in the child protection area focused on the implementation of the new legislative package regarding the protection and promotion of children's rights. Developing services to replace the placement in institutions was a priority in all the related programmes.

There are programmes of national interest developing in this sense, among which we mention: the "Setting up family-type placement centres" programme, the "Development of alternative services for children with disabilities/handicap/AIDS" programme, the "Development of the specialised services network for children who are victims of abuse, neglect and exploitation" programme, the "Development of the community network of social services for the child and the family and the support of families who are in crisis in order to prevent the separation of the child from his/her family" programme.

As to the social reintegration of homeless children, the Government approved the "Homeless children initiative" project, financed by the Council of Europe Development Bank with the amount of EUR 5.739 million, resulting in the setting up of 20 centres for 300 children and in providing approximately 150 social workers with training programmes.

In 2007, 2 programmes of national interest were carried out, namely:

- ⇒ "Development of alternative services for disabled children/handicap children/ children with HIV/AIDS", having a budget of RON 3,200 thousand, through which 26 professional child care assistants were recruited and trained, 12 child care assistants were hired to whom 12 disabled children were placed;
- ⇒ Developing the community social services network for child and family and supporting the families in crisis with a view to preventing the separation of the child from his/her family", having a budget of RON 1,400 thousand, through

which 210 persons within social assistance public services and 512 persons within the services of residential type were trained.

In the area of the protection of disabled people, efforts focused on drawing up and implementing policies regarding the protection, integration and social inclusion of this category of people. The main objective was the creation and development of the community social services system, which should support the disabled people who are not in institutions, allowing them to live their own lives as independently as possible with aid of a support network.

In the reference period, the amount of RON 7,086,000 was granted (RON 3,463,000 in 2006 and RON 3,623,000) in order to finance projects in the field of social protection and socio-professional integration of disabled adults. Based on these funds, 41 new social services were set up.

At the same time, by means of the programmes of national interest, amounting to RON 12,654,000, the following were accomplished: restructuring of 2 old-fashioned residential institutions, development of home care services, 31 ambulatory care centres for neuromotor recovery, training of 300 disabled adult persons for socio-professional reintegration.

During the period 29 November 2005 – 29 October 2007, the Phare project 2003/005-551.01.04 “Supporting the reform of the system for disabled persons protection” was carried out. The total value of the financing scheme was of EUR 21,355,195.74 and the co-financing of Romania was of EUR 4,079,093. Within the grant scheme, at the end of 2005, 36 financing agreements were signed, having as beneficiaries 20 county councils and 3rd Sector Local Council – Bucharest. Upon project completion, 78 new services were established (protected homes (45), centres of integration by occupational therapy (5), care and assistance centres (13), neuropsychic recovery and rehabilitation centres (10), day centres (4), “respiro” centres (1)).

By adopting the National Strategy regarding the social protection, integration and inclusion of disabled persons during 2006 – 2013 “Equal opportunities for disabled persons – towards a society without discrimination”, the Government set forth its general objectives, namely: promotion of social integration for disabled persons as active citizens able to control their lives, with the following specific objectives: providing support to families that include disabled persons, improving the degree of employment for disabled persons on the labour market.

In 2007 there was a significant growth in the number of authorised protected units due to the enforcement of the new legislation in the field of disabled persons protection, which encourages

the employment of this category of persons as well as the organisation of protected units. While only 48 units were authorised by the end of 2006, their number grew to 150 by the end of 2007. The number of persons employed was of 21,906 on 31 December 2007, compared to 16,225 on 31 December 2006, of which 2,431 are people with severe disabilities and 16,707 are people with significant disabilities.

Priority objective no. 3 – Improving living conditions for Roma population

The special measures taken in order to integrate Roma population on the labour market have resulted in the employment of 15,987 persons. The job fair for people of Roma ethnicity was organised in honour of the European year of equal opportunities for all in all the counties and in the city of Bucharest on different dates and many locations were actual Roma communities. The final results of the job fair are:

- 6,214 employers were contacted (of which 116 Roma businessmen and 96 insertion employers), of whom 985 participated (30 Roma business men and 29 slotting employers);
- 16,347 jobs were offered, of which 13,560 for Roma people and 144 for the employment of socially excluded youths, according to the Law no. 116/2002;
- 8,619 people participated (of whom 6,496 Roma persons) and 3,779 persons were selected for employment, of whom 2,786 were Roma persons and 103 were socially excluded people according to Law no. 116/2002;
- the total number of occupied jobs was of 1,771, of which 1,187 Roma persons and 53 excluded persons.

In order to bring social services closer to the beneficiaries in the rural environment and in the Roma communities, as well as to increase the number of people registered in own registers, the agency continued the activities of information and rendering of specific services, straight to the Roma communities, by means of the Employment caravan for the Roma caravans.

46,545 Roma persons of whom 19,637 women took part in actions carried out in Roma communities. 9,995 persons received counselling, of which 4,279 women. Also, 17,196 persons (6,583 women) were registered in the database and 3,753 (1,199 women) persons were employed.

Educational programmes for Roma were also continued and extended, succeeding in attracting and training the Roma human resources in the educational programme, as motivating and multiplying factor for possible Roma human resources and students. In the 2006/2007 academic year, more than 250,000 Roma children participated, compared to the 2003/2004 school year, when 158,128 children were enrolled.

Section 2.2 – Key challenges, priorities, objectives and targets

Over the past years the Romanian economy continued to experience a dynamic growth that allowed the Government to enforce generous social policy measures in order to contribute to the improvement of the standard of living. In addition, the labour market has had a positive evolution, as the unemployment rate has reduced. It is worth mentioning that the migration of the labour force had a positive evolution since a significant percentage of the labour force chose to look for a job outside the borders of Romania. This caused a labour force deficit, which needs to be covered by emergency measures to attract and stimulate workers in returning to the country.

One of the main elements of the social policy to be developed over the next years continues to be the consolidation of efforts in the fight against poverty and social exclusion and in the promotion of inclusion for vulnerable persons by means of active inclusion measures. The reduction of poverty is the main element of the policy which Romania sets for the next cycle of programmes and in this sense it will focus its efforts and resources in increasing the degree of employment of vulnerable groups by implementing measures to invest in the development of personal skills, in promoting equal opportunities and in developing an adequate social protection system.

Romania shall continue to adopt measures regarding the development of the social benefits system that does not create system dependence and that encourages the return to activity. Providing support to the most vulnerable members and to those encountering difficulties in the integration on the labour market and in society by rendering adequate and accessible services is an important step in promoting social unity. At the same time, measures shall be taken with regard to the consolidation of equal opportunities on the labour market between men and women and to enabling the harmonisation of the professional life and the family life. In the light of the recent demographic changes, Romania needs to take the necessary measures in order to ensure the financial sustenance for the development of the social services system.

The social assistance system in Romania set out, by means of the implementation of minimum income schemes as a means of preventing poverty and social exclusion to prevent extreme material devaluation firstly and secondly to ensure a long-term integration of the person in difficulty. The major challenge lies in what is known as “the guaranteed minimum income” and there are continuous endeavours as to be able to distribute the resources on specific categories of beneficiaries and to develop an assessment and monitoring system for the efficiency of its granting.

Families with children (especially single parent families and families with several children) are the most affected by the risk of social exclusion, according to the available statistic data. Taking into account the multidimensional aspect of social exclusion causes, a proper response to contribute to the prevention of this phenomenon among families with children can only be constituted by means of developing complex strategies and of setting up a coordination between all levels of decision, in order to facilitate its implementation. An effective and at the same time efficient solution is given by maintaining an adequate income within the family and focusing on developing a prevention system for this kind of situations on the long term.

Identifying and developing a person's skills can only lead to increasing their chances to improve their standard of living, to find an adequate job that ensures them a decent life. As a consequence, "a good life" and "a better-paid job" can only be obtained if the individual has an adequate education and a set of accumulated skills. Thus, the Romanian educational system reform focuses on decreasing the phenomenon of dropping out of school and on maintaining individuals in the educational system for as long as possible but also on avoiding the "production" of future unemployed individuals.

The main actions taken into consideration refer to the development of a facility system for children facing the risk of dropping out of school, as well as to ensuring children's access to an adequate and quality preschool education system. In addition, resources shall focus on ensuring the necessary conditions for eliminating the phenomenon of dropping out of school, at least in the case of grades 5 – 8.

The main objective of the Romanian Government regarding the field of social inclusion refers to the continuation of efforts as to the development of an inclusive society based on providing integrated social inclusion services whose development is based on a genuine assessment of an individual's needs by developing the tertiary sector and by ensuring equal opportunities for all, with a particular focus on vulnerable persons. At the same time, solutions shall be sought in order to increase the involvement of individuals, families or communities in the decision-making process, as well as in the measure-implementation process, which is one of the flaws of the Romanian system.

The main challenges over the next reference period, namely 2008 – 2010, focus on:

- the prevention of social exclusion, the continuation of efforts to improve the access of citizens to their social rights;

- the development of multidimensional prevention programmes in order to avoid putting citizens into exclusion situations;
- the implementation of customised measures by means of aimed interventions when a potential risk is identified and could lead to an impairment on living conditions;
- improving the access to resources for families who are in social exclusion situations, which may contribute to increasing the level of well-being in the society;
- monitoring programmes developed by the responsible authorities and developing a reference system with a well-established periodicity regarding the progress being made;
- organising continuous sensitivity and awareness campaigns for citizens regarding their rights.

In order to deal with all these challenges, public authorities must focus their measures to ensuring the access of various institutions/bodies/authorities/public or private natural persons to the best and most efficient absorption possible of structural funds. The implementation of the commitments of this report benefits from the advantages of Romania's first cycle of access to structural funds.

Section 2.3 – Priority objectives

Priority objective no. 1 – Increasing employment level for disadvantaged persons

Romania's measures over the past 2 years focused especially on promoting active policies in the field of social inclusion in all the sectors. The social inclusion policies relied on two important principles, namely "ensuring a sufficient income" and "activation" of individuals facing the risk of social exclusion.

Aside from the continuation of programmes that promote active measures in the field of employment, there was a focus on developing social services that provide an efficient response in the case of vulnerability situations.

One of the necessary steps in order to increase the quality of life for citizens is the stimulation of the participation on the labour market, as well as the development of everyone's spirit of entrepreneurship, especially of disadvantaged groups. Romania's future needs an efficient and dynamic economy that interacts with an economy based on social justice. In this sense, the development of the sector regarding social economy may be the first step in reaching this goal by developing the necessary mechanism and instruments in order to ensure a full implementation of this field. It is very important to build this kind of system because it provides answers to the identified needs of the Romanian society.

The Romanian Government is seeking the best solutions for all the social problems which keep existing in Romania, such as unemployment, poverty rate, regional differences regarding the socio-economic development, demographic changes etc.. The good practice experiences regarding the new approaches of socio-economic development identified in other countries, such as Social Economy, stimulate the Romanian Government in focusing its interests on the development and implementation of this kind of system in our country, as well.

Developing social enterprises shall lead to an increase in the integration/reintegration level of disadvantaged persons (disabled persons, long-term unemployed persons, poor persons etc.) on the labour market.

Over the next period, Romania shall focus its efforts on active inclusion for persons with disabilities through developing the instruments necessary for the assessment of disabled individuals' professional skills and on developing adequate social services in order to ensure the

employment of all the disabled persons who have not lost their work capacity completely and wish to perform an activity.

There shall be focus on moving from a medical approach of disabled people onto a social approach based on universally acknowledged principles, namely participation, dignity, accessibility, quality. This requires new practical approaches in the field of professional rehabilitation of disabled persons, developing assessments instruments for their professional skills and also an adjustment of the skills of professionals working in this field.

Setting up assisted workshops shall directly contribute to the employment of disabled people looking for a job. In this sense, it is worth mentioning that workshops shall follow the pattern of "salary-based employment", instead of acting as a "therapeutic pattern" and that they must provide genuine transition opportunities in order to help people prepare and enter the normal labour market. Thus, new integrated social services shall be developed with the employment services that are currently being decreased or even non-existent in Romania.

In order to achieve the above-mentioned priorities, a series of complex and multidisciplinary actions will be implemented, namely:

1. The promotion of social economy:

- Developing a coherent legal framework, adequate to the national needs but in harmony with the European legislation, ensuring the necessary foundation for the creation of the "social economy in Romania" sector;
- Accomplishing social economy pilot projects, which shall be subsequently enforced on a national level, in areas identified as having social difficulties;
- Training professionals in the social system and managers in social enterprises, as well as individuals in disadvantaged groups in the field of social economy;
- Promoting a national campaign of awareness and promotion of Social Economy in Romania, as well as raising awareness regarding the social responsibilities of trading companies;
- Developing a National Resource Centre to provide counselling and support for new social economy initiatives.

2. Integration of disabled persons on the labour market:

- Developing skill assessment instruments for disabled persons;

- Supporting the development and diversity of social services focusing on the integration of individuals on the labour market;
- Implementation of professional training programmes for professionals in the field in order to organise the newly-created services.

Implementation responsibility and the resources granted:

The Ministry of Labour, Family and Equal Opportunities, as national coordinator of social inclusion policies, is the main responsible body for the proposed objectives, as well as for monitoring and assessing the accomplishment level. It shall be supported in its actions by other institutions of the central public administration (the National Disability Authority, the National Employment Agency, the Ministry of Economy and Finance), as well as by local authorities, the main providers of social services. In order to ensure the most efficient implementation, the Ministry of Labour, Family and Equal Opportunities shall focus on the stimulation of a responsible attitude on the part of various partners: employers' associations, unions, non-governmental organisations.

The necessary resources for the implementation of measures are mainly covered by the European Social Fund and by the national budget.

Priority objective 2 – Promoting integrated family policies by means of promoting a package of efficient social benefits and services measures.

Accomplishing integrated family policies is a traditional interest in Romania, focusing on social services packages, social benefits, as well as on tax facilities that contribute to the consolidation of family and of the Romanian society.

The analysis completed based on the inquiry on the quality of life in 2007 shows that out of all the children in the composition of households, children under the age of 13 represent two thirds. The main forms of child surveillance while their parents are away are: including the children in the educational system and free surveillance provided by grandparents, siblings or other relatives, friends or neighbours. Approximately 40% of the children under the age of 13 are included in these forms of care. Approximately one fifth of children under 13 go to nurseries or kindergarten. Only 0.1% of children under 13 are in day-care centres and in centres of children care outside school hours.

During 2008 – 2010, the development of family policies shall focus on promoting measures to encourage women's participation on the labour market by developing child care facilities and developing day-care centres to ensure the return of mothers to their jobs.

The social benefits system must focus on supporting families with children, taking into account the socio-economic situation of the beneficiaries. The amounts of the benefits shall be permanently updated, according to the increase index for consumption goods prices so that benefits ultimately ensure an adequate income for beneficiaries.

Along with the child care services and the social benefits system, the actions to be taken shall consider other actions that contribute to the increase in the quality of life for families:

- Continuation of the development of programmes involving integrated and quality social services as general means of eliminating social exclusion;
- Increasing investment in providing a quality and accessible pre-school education;
- Ensuring the access to a decent home, including social homes; granting subsidies for young families with small incomes
- Supporting families with dependent members (elderly people, disabled people): home assistance, day services, encouraging the participation of dependent people in

- intellectual, cultural and social activities, family counselling and support programmes in order to provide care; creation of community homes and care centres;
- Extracurricular activities organised in schools, outside of classes, during the parents' work hours (cultural, sporting activities etc);
 - Supporting families with children by means of an adequate social benefits package;
 - Developing health programmes to ensure maternal and child care addressing families, pregnant women and children under the age of 6, which include multidisciplinary interventions (doctor, child welfare professional, psychologist, social worker etc.).

The responsibility of this objective belongs to the Ministry of Labour, Family and Equal Opportunities, as well as to the Ministry of Education, Research and Youth, the Ministry of Public Health, the National Authority for the Protection of Child's Rights. In its actions it shall receive the support of institutions of the central public administration, as well as of non-governmental organisations.

The necessary resources for the implementation of actions are mainly covered by the national and local budgets.

Priority objective no. 3 – The continuation of efforts to improve the quality of life for Roma citizens

The promotion of national policies aiming at the improvement of the quality of life for the Roma can only be made if there is available information regarding the socio-economic situation of this category. Thus, in 2008, the “Come closer: inclusion and exclusion of the Roma in today’s Romanian society” study was drawn up. The study was based on a qualitative and quantitative analysis among the Roma communities, based on Roma and mixed groups, as well as on questionnaires sent to all local public authorities.

The percentage of those who do not have an income in the month of reference (July 2007) was 2 times higher for Roma than for non-Roma: 41.9% of the Roma, compared to 20.2% non-Roma. At the beginning of the adult life, both Roma and non-Roma have equal access to income sources but differences increase along with aging. In addition, the access to income is unequal from the point of view of gender, as there is a negative effect among women (this tendency is similar both for Roma and for non-Roma). The most important sources of income for Roma (26.1% of the Roma population) proved to be social benefits (maternal allowance, children’s allowances, additional family allowance etc.) The second most important source of income consists in the guaranteed minimum income for a percentage of 14.4% of the Roma group (2.0% for the non-Roma). Another characteristic for Roma is that they gain their revenues from inactive sources in general (43%) and informal activities (22.7%). This leads to the conclusion that the majority of the Roma are outside of the formal economy, which is also highlighted by the fairly low percentage of Roma (16.7%) who receive revenues from pensions.

As to education, 9% of the young Roma adults (18 – 30 years old) are high school graduates and 2% have graduated higher education, compared to 41% of young non-Roma adults, 27%, respectively. In addition, the highest percentage of illiteracy is also found among the Roma population, namely 28% of those who attend primary school but have not graduated. The presence of the school mediator in the Roma communities contributed to the increase in the school graduation rate, as well as to the increase in the number of children enrolled in a form of education.

A relatively interesting situation may be found regarding health, as the life expectancy among this category is low and there is a low percentage of elderly people. Thus, for every member of a Roma household between 30 and 59 years old, there are 0.2 elderly people, compared to 0.5 in the non-Roma households. The common opinion of the medical community is that many illnesses

in the Roma communities are caused by bad nutritional habits. In terms of the access to medical services, it may be concluded that it takes place according to the level of information and especially to the economic situation. The sanitary mediators have had a positive effect regarding the information brought to the population as to medical services and how to actually have access to them. However, not all Roma communities have such a mediator, but where it is present, there is an improvement in the health state of the population.

Research highlighted certain aspects regarding the living conditions, which are different from those among the non-Roma households. Density in the households is two times higher in the Roma households, as the average number of people per room is 1.98, compared to 0.98 in non-Roma households. In terms of utilities, 15% of the Roma households live without electricity, 36% do not have water in their own household and as far as the long-term usage equipment is concerned, 53% of the Roma own a refrigerator and 8% own a personal computer, 14% own an automatic washing machine, 68% own a colour TV, 12% own an automobile, and 10% use a fixed telephone line (but 43% own a mobile phone).

Based on the results of the research, as well as on the results of the implementation of the national strategy regarding the improvement of the Roma situation, a series of measures must be taken in order to lead to the social inclusion of this category:

- Enabling access to primary health services by means of increasing the number of Roma people enlisted with family doctors;
- Continuing the training programmes and preparing sanitary mediators and school mediators;
- Improving educational participation of Roma, reduction of illiteracy and dropping out of school;
- Developing national programmes aiming at the inclusion in the formal economy by means of developing paid jobs and increasing professional skills;
- Promoting anti-discriminating policies by achieving national awareness campaigns.

At the same time, the monitoring and assessment system shall be implemented in order to measure the impact of the implementation of programmes and strategies in the field, so that social policies aiming at this vulnerable group are based on the genuine situation and take the identified problems into account.

The enforcement of these measures shall be accomplished by the cooperation and coordination of all governmental and civil society bodies with responsibilities in the field of social inclusion. In addition, the European Social Fund shall support financially the implementation of the mentioned programmes, being completed with funds from the national budget and from the local budgets, as well as by returnable funds granted by the International Bank for Reconstruction and Development.

2.4. Good Governance:

The main institutional concern was the promotion of the social inclusion by the implementation of the provisions of the Government Decision no. 1217/2006 on the creation of the national mechanism for the promotion of the social inclusion in Romania, once this decision approved. This objective was achieved based on the Twinning Light RO 04/01 SO 02/TL project "Assistance for the monitoring and implementation of the Joint Inclusion Memorandum by the Ministry of Labour, Social Solidarity and Family" (value of EUR 250,000 Phare budget, 62,500 national co-financing) which was implemented in cooperation with the Ministry of Health and Social Affairs of Finland.

On March 12th of 2007 the first meeting of the National Commission for Social Inclusion took place, being chaired by the Minister of Labour, Family and Equal Opportunities and included Romania's main priorities in the field of social inclusion.

In order to raise the awareness of the professionals in the field, with respect to the social inclusion process, during the reference period, the Directorate of Strategies and programmes of social inclusion – social support in cooperation with the World Bank and the National Institute of Statistics, organised meetings and seminars on the following themes: "Assessment of the impact of the policies and programmes in the field of social inclusion", "Poverty and Social Inclusion – indicators and trends", "Report on poverty in Romania" as well as the "Round Table" on the theme "Social inclusion – a challenge for the future Romanian social model", joining approximately 100 persons: representatives of the ministries, local authorities, institutions, agencies and NGOs with responsibilities in the field of social inclusion. The conference focused on the following themes: active programmes of social integration for the disadvantaged groups; social exclusion and social rights; deinstitutionalisation and efficiency of alternative measures.

With a view to ensuring the transversality of the social assistance at territorial level, in the structure of the Directorates of Labour and Social Protection the technical secretariats of the County Commissions for Social Inclusion were organised. Several training sessions was organised for the members of the technical secretariats:

- o The organisation of 3 training modules regarding poverty, as well as the characteristics of the phenomenon; Measurement of poverty; building indexes in the field of poverty. The programme addressed the members of the technical secretariats for social inclusion of the County Commissions for Social Inclusion, the personnel

responsible for the development of programmes destined to the prevention of social outcasts and exclusion within the General Directorates of social support and child's protection, as well as to members of the social inclusion units within the ministries/agencies/authorities with responsibilities in the field of social inclusion. 150 people participated.

- o The organisation of 3 training sessions for the members of the technical secretariats of the County Commissions for Social Inclusion regarding: social inclusion policies on a European level, the methodology for drawing up county reports regarding social inclusion, social inclusion indexes on the level of the European Commission. 66 people participated.

In September of 2007, Romania sent to the European Commission the Updated Report regarding Social Protection and Social Inclusion, providing additional information regarding the "Good Governance" chapter, in which the progress made in the field of administrative modernisation were presented (Social Inspection, Social Observatory, the National Agency for Social Benefits).

The Report on monitoring progress made in the field of social inclusion during 2006-2007 was drawn up.

Romania's participation in the Opened Coordination Method is also achieved by the involvement in 2 projects, in one as project manager and in the other as partner, being financed within the PROGRESS community programme.

1. The Project "SYNTHESIS integrated social services for the most vulnerable groups" which had as partners several states, namely: Italy, Spain, France, Slovenia, Hungary, Lithuania, Greece, Poland and Finland. The activities included in the project are:
 - i. Drafting of Thematic Reports on different themes specific to the field of social inclusion;
 - ii. Drafting of a Guide including good practices examples in the field of social services of all the partner states;
 - iii. Creation of a Web Page on which the project is presented, as well as ensuring the dissemination of the project results;
 - iv. Organisation of an experience exchange programme (by organising conferences and thematic groups) between the partners involved in the project and other actors relevant in the field of social inclusion;
 - v. Drawing up of promotional materials (brochures, folders, etc.);

2. The project "Life after Institutionalisation. Equal Opportunities and Social Inclusion of Youths: Identification and Promotion of Good Practices", to which Romania is a partner. The role in this project is to participate in the drawing up of the study on the social inclusion of the youths leaving the child protection system by providing data and information, as well as by participating in the organised working groups.

With respect to the development of data collection mechanisms various considerable progresses were achieved:

Upon the drafting of the National Strategic Report, the Ministry of Labour, Family and Equal Opportunities becomes responsible for monitoring its achievement and, in this framework, a series of actions related to the strengthening of the ministry's capacity in the field of social statistics and data collection were developed. Thus a cooperation protocol was concluded between the MoLFEO and NIS (the National Institute of Statistics) by which NIS shall provide the databases, and MoLFEO shall calculate the secondary and tertiary indicators. In order to be able to fulfil the undertakings contemplated by this protocol, MoLFEO has purchased the software required for the calculation of the indicators. Together with the World Bank and the National Institute of Statistics, 15 persons were trained to use the indicator calculation software.

At present the social inclusion indicators were calculated, and given the national methodology, they are currently subject to the internal validation process.

A research in 2 pilot counties (Giurgiu and Cluj) and in 6th District of Bucharest was carried out. The theme of the research was chosen based on the fact that Romania needs to draw up and monitor the social inclusion process.

The general objectives of the pilot research are:

- Assessment of the relevance of certain indicators proposed for PNIncs monitoring;
- Follow up and assessment of the programmes/actions included in PNIncs and new proposals of directions of the policies/actions in the surveyed county;
- Identification of the needs and proposals for their identification on a continuous basis;
- Development of a permanent technical tool (establishment of conditions for the creation of a minimal database of main (key) indicators and of the working procedures for the Social

Observatory which to enable a continuous analysis of the evolution in time and guidance of the decision-making process in order to meet the medium and long term needs.

The concrete results of this research lead to the following conclusions:

1. 100 social indicators were identified and formed the “minimal set” to be used in the process of monitoring the progresses in the field of social inclusion. These indicators were grouped based on 6 dimensions, namely:
 - a. economic – 27 indicators;
 - b. employment – 17 indicators;
 - c. education – 15 indicators;
 - d. accommodation – 10 indicators;
 - e. health – 18 indicators;
 - f. social inclusion – 14 indicators.

Descriptive fiches were drawn up for each indicator, including information regarding: the definition of the indicator, method of calculation, type of indicator and information collection source.

The primary and secondary data collection, mainly at the local government level, the training of the personnel of the structures involved in the collection and processing of data remains a priority for the Ministry of Labour, Family and Equal Opportunities during the following reporting period. During the February 2008 – March 2008, within the Phare Project 2004/ 016 – 772.04.02.02 - “Strengthening the Capacity of the Ministry of Labour, Social Solidarity and Family in the Field of Social Assistance – Technical Assistance for the Establishment of the Social Observatory and National Agency for Social Benefits”, 3 training modules for 100 persons, representatives of the General Directorate for Social Assistance and Child Protection and of the technical secretariats of the territorial Commissions of social inclusion. The approached subjects referred to poverty measurement, concepts used in the field of social inclusion, calculation of the social indicators.

With a view to improving the process of analysis of the poverty and social exclusion situation, in Romania, the efforts of the year 2007 focused on the establishment of the Social Observatory. The main mission of the Social Observatory is to provide information on the poverty and social exclusion situation existing in Romania. The Observatory becomes a barometer of the social needs, a base for the development of the strategic planning in the field of social protection and social inclusion. As it was designed, the Observatory shall submit periodical

reports regarding the existing situation and evolution of the poverty and social exclusion, shall submit proposals and recommendations with respect to the manner in which the situation of the vulnerable groups may be improved. The Observatory shall support the Ministry of Labour, Family and Equal Opportunities and the Government in the drafting and subsequently in the monitoring of the National Action Plan for Social Inclusion, and at the same time it shall be able to contribute to the clarification and detailing of the role and activity incumbent on the National Commission for Social Inclusion with respect to the monitoring and implementation of the National Action Plan regarding the Social Inclusion.

The 2008-2010 stage will have as core objective the strengthening of the national mechanism for social inclusion, so as to become a framework for the coordination and drawing up of the social policies, created for the purpose of understanding better the social exclusion situations in order to set sectorial priorities, promote the active inclusion and create an adequate environment of the development of joint social policies in different intervention areas. This objective shall be achieved by the implementation, as from 2009, of a project financed by the European Social Fund within the Sectorial Operational Programme – Development of the Administrative Capacity.

The accent shall fall on the modernisation of the social inclusion mechanism that will enable the coordination of the national policies with the local and regional ones and on the adoption of the measures proposed for the actual needs of the citizens, observing the proximity principle. The cooperation capacity of different institutions involved in the social inclusion process will be strengthened in order to have a broad perspective, a joint understanding, in order to find joint solutions, to ensure the decentralisation of the responsibilities and efficient distribution of the resources required for the implementation of the local policies.

In order to be efficient and sustainable, the social inclusion policies must be integrated and transversal; they may have the same vision/a joint understanding of the problems; they must promote a general agreement with respect to the observance of the diversity and differences, equality in the exercise of the rights and joint liability undertaking in decision-making.

The local authorities must anticipate the problems of each territory from a structural perspective, taking into account all the factors that may entail vulnerability, risk or social exclusion situations. Any action must be provided with a view to improving the situation and facilitating the social inclusion need related to the identification of the needs, within a preset framework, with clear criteria (for identification and action). This requires an administrative reform (according to the relational government approach, systematic and cooperative approach), the training of the

professionals, the development of the cooperation and support networks among the public authorities from different levels of the administration, as well as between the public sector and the private one.

The drafting of the national plans and sectorial strategies having as purpose the promotion of the social inclusion requires a much closer coordination between all the partners. If in the process of drafting the plans a relative mutual agreement is reached, a much higher degree of achievement of the proposed objectives will be obtained. In this respect, the most important actions that may contribute to the improvement of the social inclusion process may be summarised as follows:

- increase inter-institutional cooperation in the field of social inclusion by a clear distribution of the resources and responsibilities;
- promote public debates, at well-established intervals, regarding priority themes related to social inclusion, involving numerous participants from all the activity fields, as well as representatives of the political class;
- community development for the purpose of supporting the local level in the development of the own mechanism for drafting social inclusion plans, in order to be able to assess the actual faced needs, as well as to have an actual assessment and monitoring mechanism;
- the need to rely on data and indicators when assessing the policies and monitoring the social inclusion programmes;
- drafting studies and researches which to enable the analysis of the current situation and drafting recommendations on priority themes in the field of social inclusion, identified at a national level;
- organisation of training sessions for the personnel of the local and national administrations holding responsibilities related to the promotion of social inclusion.

PART III – NATIONAL STRATEGY REGARDING THE PENSIONS

3.1. Progresses achieved during the period 2006 – 2008

The pension system of Romania was subject to various reforms during the previous year, aiming at improving the sustainability of the system that faces a considerable demographic challenge and the alignment to the European Union requirements. The system, as modified, consists in the 1st pension pillar, which is compulsory, pay-as-you-go, the 2nd pension pillar, which is voluntary and the development of a compulsory individual account system, named the pillar 1bic.

The reform of the first pillar (known as the public pension system) aimed at creating an equitable redistribution and at improving the connections between the paid contributions and the provided benefits, triggering the increase of the general level of the individual benefits by a harmonisation process, as well as to the improvement of the long-term sustainability of the system.

The main characteristics of the new system are:

- the increase of the standard retirement age from 57 to 60 years of age for women and from 62 to 65 years of age for the men, on a gradual basis until 2014;
- the increase of the minimum contribution period for both genders from 10 to 15 years;
- the introduction of a new pension formula based on a score system, which takes into account the incomes achieved during the years of work (instead of concentrating on a reduced part) and accounts for re-distributive elements.

Of an official number of 8.8 millions of employed population, approximately 5.5 millions workers contribute to the new PAYG system. The coverage of the public system of all the types of workers increased, the potential inclusion of the unemployed or freelancers being particularly emphasised. We could say that, although the insurance is compulsory, their inclusion is rather voluntary. During 2001 – 2006, the number of insured among the freelancers is relatively reduced, denoting a lack of attraction of the system and its reduced capacity to monitor such category of insured.

The PAYG system is financed from the social security contributions paid by the employers and employees. The employer's contributions are established on a rate basis, depending on the severity of labour, as follows:

- 19.5% (normal conditions);
- 24.5% (particular conditions), representing 95,259 of the workers;
- 29.5% (special conditions – such as the activity in the mining industry), namely 142,224 workers.

The global rate for the social security contributions was of 49.5% in 2005 (being among the highest in the Centre and Eastern Europe). The Government undertook to apply a gradual discount of approximately 3%, on an annual basis, during the 2006-2008 period, the global rate of these contributions reaching at the end of 2008 40.30%, being by 9.20% inferior than 3 years ago.

The first discount took place in January 2006, when the social security contribution rate paid by the employers decreased from 30.50% to 30.25%, reaching to 24.80% at the end of 2008. The social contributions paid by the employees decreased from 17.00% in 2005 to 15.50% in 2008.

Evolution of the social insurance share during the 2005-2008 period

| Social Insurance Contribution Share | Employer | Individual | Total |
|-------------------------------------|----------|------------|--------|
| 2005 | 32.50% | 17.00% | 49.50% |
| 2006 | 30.25% | 17.00% | 47.25% |
| 2007 | 28.60% | 17.00% | 45.60% |
| 2008 | 24.80% | 15.50% | 40.30% |

Source: National House of Pensions and Other Social Insurance Rights

An essential element of PAYG system is the fact that whilst in the past the social insurance fund covered numerous benefits, the new system exclusively targets the calculation and the payment of the pension benefits. At present, the public pension system includes only the death grants and treatment tickets.

The people who cannot contribute given the periods when they do not performed any paid activity, such as maternity, illness, higher education and military service are subject to a financing system which rewards these periods in which no contribution is paid to the social insurance fund.

During 2008, pillar 1bis, the pre-financed component of the 1st pillar, becomes effective, meaning that a part of the social security contributions shall be compulsorily directed to the private administrative pensions, as follows:

- up to 2% of the salaries in the first year and increases stage-by-stage by 0.5% every year until it amounts to 6% in 8 years' time.

These pension funds shall be compulsory for all the people aged less than 35 and voluntary for the people aged between 36-45.

As for the provision of adequate pensions: according to 2006 Eurostat figures, the poverty rate among the retired of more than 65 years of age was less than 19.0%. In 2006 in Romania the poverty rate for persons than over 65 years was 18,7% and in 2007 is 19,4%. Special attention is paid to the discrepancies related to the gender, at poverty risk, where 22.0% of the women aged above 65 are below the poverty risk, as compared to the men of whom only 13% are below the poverty risk.

On average, the pension level covering the old-age risk as compared to the salaries is approximately of 41.3% for the net level (30.2% for the gross level), being lower as compared to EU 25 (data of ILO for 2003).

The net average pension for a person with a complete contribution payment period, as compared to the net average level was of 56.7%, reflecting an obvious improvement as compared to the value of 53% in 2001. This improvement is partially due to the recalculation of all the pensions included in the 1st pillar.

Despite the foregoing, less than half of the people eligible for the old-age pension have full compensation payment periods (30 years of contributions for men and 25 for women) and the average pension includes the pensions with incomplete contribution payment periods, early retirements, disability pensions, etc. representing 35% of the average salary.

The Romanian social protection system includes specific provisions for ensuring a minimum guaranteed revenue for all the persons who do not gain any income or who gain insufficient incomes, namely below the level established by the legislation in force. At the same time, the persons with insufficient incomes may complementarily benefit from financial aids or emergency aids, as the case may be, as well as from certain social services.

The retired old persons, together with all the citizens have access to such benefits if they meet the eligibility criteria set forth by the law.

Sustainability: Romania deals with considerable demographic challenges with respect to the sustainability of the pension system. During the period 1990-2007, the dependency ratio of the retired persons decreased from 2.42 to 0.85 and according to the forecasts, such trends shall also continue in the following years. However, since the farmers' pensions are currently borne from the state budget, the dependency ration improved to 1.04.

The public pension system of Romania represents an expense of the GDP of 5.4% during 2007 (materially lower than in EU). As from 1995, the PAYG system recorded deficits, covered by transfers from the state budget. Nevertheless, in 2007, the profits/losses of the estimates year point to a surplus. On the one hand, the surplus is due to the increase of the degree of collection the contributions based on the taxation reduction, and on the other hand, to the decrease of the social expenses as a result of outsourcing the short-term benefits and farmer' pensions.

One of the reasons of the increase of the deficits in the public pension system was the rapid increase of the number of beneficiaries during the '90s. Between 1990 and 2002, the number of beneficiaries of the public pension system increased from 3.4 million in 1990 to 6.2 million in 2002 when it reached the maximum value. This was due to the demographic pressures, legislative changes, which increased the coverage sphere mainly among the freelancers. At the same time, the number of early retired persons and the number of persons who retired due to the total or partial loss of the work ability, in the event of disability, increased.

The other important factor in relation to the deficit of the pension fund is represented by contribution collection. Of a potential population having the age of work, of 9.5 million, at present only 5.5 million contribute to the PAYG system, mainly due to the refusal of the employees to register all the employees. Of them, a considerable number, mainly the freelancers, pay only a part of their actual gains for the pension contributions, the legislation allowing to these categories to insure themselves for any income, irrespective of their actual earning.

With respect to the farmers, the Government seeks to attract them in the public system, based on a mixed system based on the individual contributions and state contributions.

At the same time, there is an underground economy, estimated at approximately 1-2 millions of people who pay no contribution and who shall thus gain a possible low earning for pension or an inexistent earning at the retirement moment.

A concerning issue for the social security system of Romania is the large group of emigrant workers, estimated at 2 million individuals. While many of these workers shall contribute to the social security system in the host country – and where certain mutual arrangements are in place, and they shall benefit from such contributions upon retirement – a significant group works on the grey market and does contribute neither to the foreign pension system nor to the Romanian one, which makes these persons remain potentially vulnerable, with a low income for pensions at the retirement moment or non-eligible for a minimum guaranteed income.

The sustainability of the pension system crosses a continuous dynamic and analysis as a result of the training of a new pre-financed component of the 1st pillar, which shall become effective in 2008. The reorientation of a percentage of the social security contributions raises two potential challenges for the general system. The change from a full pay-as-you-go system involves a reduction of the funds available for the existing retired persons involve a reduction of the funds available for the existing retired persons in order to be able to commence the accrual of the individual rights for the existing workers and has impacts on the deficit of the PAYG system.

Modernisation: In order to increase the efficiency of contributions payment and collection, in 2000 the National House of Pensions and Other Social Insurance Rights, which undertook the responsibility for the collection, control and compulsory execution of contributions, was set up. In 2002, the control bodies of the National House of Pensions and Other Social Insurance Rights and of the National Employment Agency, in charge with the unemployment insurances, were unified.

In 2004, the National Agency for Fiscal Administration being in charge not only with collecting the contribution, but also with registering the natural and legal persons, for the purpose of controlling the paid contributions, as well as with other functions, including tax collection, was established.

2. Perspectives and reform

Romania faces a significant challenge with respect to the net migration, mainly of the young generation, and to the gradual decrease of the total population, which shall entail for the future a more and more limited number of the manpower in Romania.

The reform of the PAYG system improved both the sustainability, and the equity of the paid benefits. The new calculation establishes the connection between the paid contributions and the received benefits, and the replacement rate as compared to the average salaries of the global population for an insured with a full contribution payment period is approximately 56% of the average incomes. In order to maintain the PAYG pensions adequate, the Government of Romania analyses the possibility to increase the total levels of coverage and to extend the contribution payment period.

As for the sustainability, CNPAS continues to be concerned with the improvement and increase of the collection degree of the social insurance contributions from the individual insured of the public pension system. At the same time, another concern in the attraction of as many persons as possible in the public pension system, fact achieved by the legislative amendments of the last period.

The increase of the employment, mainly among the old aged workers shall be an important factor for the long-time sustainability of the pension system. The Romanian Government undertook a pro-active strategy for the purpose of prompting the employers to employ and maintain the workers being more than 45 years of age, as well as those who are close to retirement age, by using subsidies.

The latest reforms of the system held the principle of early retirement, although it included clear limitations based on full contribution payment records. The possibility to retire early, with maximum 5 years before the retirement age, with a full pension, is set forth by the law, provided that at least 10 years of contribution payment above the full limit are achieved.

At present, the action is focused on encouraging the work until the standard retirement age, but also above such age, and the rewards for long contribution payment periods are included in the value of the pension, namely in higher pensions than the existing ones.

During the reference period, there was an increase of those benefiting from disability pensions – at present this group represents approximately 28.8% of the total number of the persons entitled to old-age pension.

From 2008 and up to 2012, the budgetary deficit is expected to increase at approximately 0.5% of the GDP as a result of the development of the first pillar and transfer of a part of the contributions to this fund. These deficits shall be covered by issuing government securities and privatisation.

An important measure in the following stage is the gradual increase of the retirement age until 2014, representing a crucial approach for the purpose of ensuring the sustainability of the system and reflecting the demographic changes.

At the same time, the possibilities of implementing the proposals for ensuring equal contribution strategies between men and women. This measure shall have a positive impact on the present inequalities of the retirement type.

With respect to the modernisation: In Romania, the recent development of a new financed component is estimated to have positive effects due to the risk diversification and development of the capital markets.

This firstly consisted in the development and implementation of a method based on voluntary contributions from individual savings, being followed shortly thereafter by a compulsory variation of the contributions to a financed element of the first pillar. The expected number of contribution payers of the voluntary pillar is approximately of half million in the first year.

A current concern is also the taxation structure proposed by both new types of funds (the compulsorily financed scheme has an annual management taxation of 0.6% of the total management and a maximum taxation of 2.5% for any paid contribution, the voluntary fund imposes up to 2.4% as annual management tax and up to 5% as tax related to any paid contribution).

The establishment of a new institution in charge with the regulation of the provisions related to capitalisation is welcome, so that in 2005 the Private Pension System Supervisory Commission was established (according to the Directive 41/2003/EC). It is independent but it is subject to the legislative control (autonomous but reports to the Parliament) and is responsible

both for regulating the private managers, as well as by its role to promote the training and education of the citizens and on the roles obtained in the financed sector.

The information of the citizens with respect to the pension system was performed by an information campaign for the purpose of explaining the principles of the reform to the population and transmitting precise information on the rights and obligations of the participants of the system. The campaign involved the mass media and the Internet, as well as a conference programme. In 2004, an information campaign was launched and it promoted and explained the new privately managed pension system. Moreover, the citizens' rights to information were legally acknowledged by the Law no. 52/2003 on the decisional transparency in the public administration.

PART IV – NATIONAL STRATEGY FOR HEALTH AND LONG-TERM CARE SERVICES

Section 4.1 – Key challenges, priority objectives and targets

The core objective of the health care system refers to the improvement of the health condition of the population and achievement of a modern and efficient health system, compatible with the health systems of the European Union, being permanently on citizens' service and being based on the following values:

- observance of the right to population health protection;
- guarantee of the quality and safety of the medical act;
- increase of the role of preventive services;
- ensuring accessibility to services;
- observance of the right to free choice and equal opportunities;
- valuation of the professional competences and encouraging their development;
- decisional transparency.

The accessibility to medical care services is determined by the convergence of the offer with the demand of services or, in other words, the actual availability of the care facilities as compared to the demand based on the actual need of health. In Romania, the disparities in the access to care services occur for at least four reasons: ethnical or racial; economic, including the direct costs borne by the population (co-payments, costs related to treatments and hospital care) as well as indirect ones (transport expenses, waiting times); inadequate geographical location of the care facilities; unequal quality of the services of same type. In Romania, all four types of inequities in the access to the care services, determining inequities in the health condition of different groups of population, of communities from different geographical areas and economically disadvantaged groups. Such inequalities are shown by modest basic health condition indicators (life expectancy at birth, infant mortality, general mortality caused by evitable deaths, morbidity degree, years of life as a healthy person) and also by the low information level with respect to the factors of risk and protection related to the health and health care system and the basic services package provided in Romania.

Thus, the accent of the actions aiming at making the health system more accessible shall be put on the implementation of national health programmes which to solve the priority public health problems and to the needs of the vulnerable groups, on the development of health care infrastructure and emergency health care, as well as on establishing the list of drugs essential for

the health of the population, which to be partially or totally covered by the health insurance system.

The attraction of the medical personnel in isolated, economically disadvantaged area is made by introducing a facilities package: providing accommodation to the non-resident qualified health personnel, allotment, free of charges, of the land located inside the city limits to the physicians willing to build a dwelling in that city, granting installation indemnities equivalent to two base salaries at the maximum level set forth by the law for the position of specialised doctor, granting salary increases, tariffs reduced by 50% for electric power, water and other utilities to medical practices, provision of medical appliances with priority to these practices, etc.

The Romanian health services are characterised by lack of continuity in their provision, which has as main consequences the duplications of the medical acts, the obvious loss of patients, their registration upon advanced illnesses and hospital overcrowding. All these elements may entail increased costs both within the system and patient-related (material and mainly moral) costs. The main priorities for improving this situation of the health system in Romania are:

- adopting standards for medical products, medical technologies, professional training, establishing information networks;
- introducing and using the medicine concepts based on evidences and assessment of the medical technologies;
- promotion of the cooperation between the member states in order to ensure the quality in the health systems, equipment, blood, tissues and organs, laboratories, etc.;
- drafting standards for the safety measures of patients.

The medium term priorities that Romania undertakes to fulfil by the implementation of these strategies are:

- actual provision of the equal access of the citizens to the basic health cares
- increase of the life quality by improving the quality and safety of the medical act
- aligning to the safety health and demographic indicators of the civilised countries, simultaneously with the decrease of the pathology specific to the underdeveloped countries

Closely in-keeping with the health system and complementarily to it, the long-term care system mainly addressing the old aged and disabled persons was developed as the time went by. The made efforts are obvious but Romania has to carry on with its actions related to the development of the system performance and mainly to find the best solutions in order to favour the

coordination between the sanitary and social system. Regarding the Romania priorities on a medium term in the field of long-term care services could be synthesised as follows:

- increase of the support granted to the informal carers in order to take care of the dependant persons by: developing more care services inside the community (day centres, palliative care services, "respiro" centres, etc.), introduction of the flexible working hours in order to facilitate the possibility to take care of the dependant persons, etc.;
- improvement of the recruiting and training procedures for the official carers by: developing certain educational curricula which to ensure an adequate knowledge base and which to combine the health and social knowledge, as well as the use of new technologies; establishing continuous and unitary training programmes at national level; establishing clear employment criteria;
- development of networks and partnerships at community level by which those programmes aiming at ensuring an independent life for each individual and reducing the long-term care services needs;
- involvement of the beneficiaries of the long-term care services in the development and implementation of community programmes that are addressed to them;
- increase of the efficiency and effectiveness in the provision of long-term care services by developing the case management and multidisciplinary teams which to ensure the coordination and continuity in the service provision; developing innovative models regarding the care services in a residential regime;
- strengthen the institutional capacity of the local communities in order to provide social services and long-term care services;
- carry on with the efforts related to the improvement of the system of quality in the services targeting the dependant persons;
- developing and diversification the number of services provided to persons with mental health problems by increasing the number of community health centres, increasing the number of well-trained professionals providing the adequate cares, etc.

Section 4.2 – Health Care Services

4.2.1. – Progresses achieved during the period 2006 – 2008

The national health system is governed by the Law no. 90/ 2006 on the reform in the health field, that sets forth development objectives. Thus the efforts made during the reporting period in relation to the implementation of this regulation focused on the equal protection of the insured, facilitating the universal, equitable and non-discriminatory access to the health care system and on the costs of the health services in case of illness or accident.

The 2005 activity report of the National House of Health Insurances mentions that on 30 September 2005, the degree of enrolment in the health insurance system in the urban area was of 96.08%, and in the rural areas of 89.25%.

The population registered in the localities from the rural areas that had no family doctors was of 145,110 inhabitants, representing 1.48 % of the total population from the rural areas, of which:

- 85,616 – the population enrolled in the lists of the family doctors in the neighbouring localities
- 35,135 – the population assisted by the nurses from the health centres which, due to the absence of a doctor, could not be turned into a medical practice organised according to the GO no. 124/1998, and which remain in the structure of health care units with beds to which they are subordinated.
- 24,359 – that population that is assisted neither by nurses.

The latest analyses revealed the existence of certain regional discrepancies in the distribution of healthcare professionals to the population. Thus, the number of individuals enrolled to a doctor in the rural areas exceeds 6 times that of the urban area. The most disadvantaged regions are in South and South-East. In the Region of North-East, there is the lowest coverage of doctors in the rural environment. At the same time, the number of the community nurses is completely insufficient, to a community nurse being allotted 26,265 persons. There are 98 localities without doctors in the rural environment.

In 2007, the fund allotted to primary health care increased by 50% as compared to 2006, entailing the increase by 40% of the minimum guaranteed value of the “per capita” point and by

6.5% of the minimum guaranteed value of a point for the payment per service. At the same time, the health services package was extended by the introduction of new health services such as:

- The active promotion of breast-feeding up to the age of 6 months and continuation thereof at least up to the age of 12 months;
- For the supervision of the pregnant woman and control of the insured aged under 18 years, the establishment of the risk degree;
- For immunisations, the poliomyelitis vaccination with inactivate polio vaccines;
- Periodical control visits – stage epicrisis for affections requiring dispensary care;
- Curative health services for the individuals concluding facultative policies.

In order to ensure the provision of health services to other persons apart from those who are insured, the family doctors submit upon contracting a list of insured and a list of the persons benefiting from the minimal package, respectively, both lists being taken into account upon the establishment of the minimal package for which the agreement is concluded.

Efforts were made for the purpose of ensuring the development of the emergency medicine segment by providing emergency home cares, in relation to which the health insurance houses may conclude agreements with the providers of health services.

The weight of the health-related public expenses in GDP varied during the period 2004-2006 between 3.6 and 3.7%, and in 2007 this percentage increased to 4%. The target stipulated in the Government Programme is that the percentage of the GDP allotted to the health sector should be 6%. Expressed in billion EUR, the funds allotted to public health increased from 2.1 in 2004 to 4.3 in 2007.

The funds allotted in 2007 for primary health care amounted to RON 760,969 M, of which payments amounted to RON 746,726.2 thousand were made, representing 98.1% of the approved provisions.

In 2007, the national programme for curative purposes was implemented and it ensured for the hospitalised and outpatient medical treatments, drugs and sanitary materials specific to high-risk diseases, as well as the renal replacement services. By increasing the patients' accessibility to the specific treatments the number of the beneficiaries of this programme was of 648,191 persons, exceeding by 17.6% that of 2006. Thus, the number of the beneficiaries by type of disease: 6,996 for HIV/AIDS treatment, 45,029 for tuberculosis, 11,520 for cardiovascular diseases, 84,033 for oncological affections, 1,605 for multiple sclerosis, 457,530 for

diabetes mellitus, 9,171 for osteoporosis, 7,622 for iodine goiter, 892 for malignant goiter, 8,563 for articular affections, 1,543 post-transplant treatment, 9,291 renal replacement.

The implementation of the “The national programme for the assessment of the population health condition in the primary health care” is one of the most important population health condition assessment actions. The purpose of this programme is to find the weight in the number of population of the determinant factors for the diseases with a major impact on the health condition of the population, the early diagnosis and monitoring of these diseases in order to avoid the non-senescent deaths. It also aims at improving the population health condition by the preventing, controlling and monitoring the diseases with a major impact on the health, improving the life quality and extending the average life time, as well as ensuring the access to health services to the entire population of Romania. The programme used for the first time a risk assessment guide, applied by the family doctor and doubled by the performance of tests by which the affections or affection risks were identified.

An year after the implementation of this programme, the results may be summered as follows:

- During the period 1 July 2007- 30 June 2008 , 11,104,655 citizens went to the doctor and underwent medical examination, more than 55% of the population of the country, who received coupons (43.4% men and 57,6% women). Of the number of examined persons exceeding 11 millions, 9,889,062, namely 89.9% are insured, and the remaining of 1,215,593, namely 5.7% are uninsured persons.
- Further to the risk assessment, 4,114,969 persons at illness risk, representing 37% of the assessed persons were identified.
 - 3,323,156 persons (namely 30% of the assessed) have a high illness-related risk by diabetes mellitus. Thus, of the persons identified with diabetes mellitus risk (a total number of 860,365 persons) 2.69% are at very high risk of diabetes, 30.27% at high risk of diabetes and 67.27% at moderate risk of diabetes. The diabetes risk is two times higher among the women as compared to men and two times more frequent in the urban area than in the rural area.
 - 7% of the assessed persons (805,989) present the risk of incurring a cardio-vascular affection. The distribution by regions is the following: increased risk in the Central region – 9.47%, Southern Region – 9.16% and low risk in the Region of South-West – 6.61% and South-East – 6.19%;
 - 6% of the assessed persons (namely 671,696 persons) present the risk of incurring an oncologic affection:

- The percentage of persons risking of endometrial cancer of the total persons assessed at a national level is of 2.08%;
 - The percentage of persons risking of carcinoma of the uterine cervix of the total persons assessed at a national level is of 1.93% (approximately 214,000 women);
 - The percentage of persons risking of breast cancer of the total persons assessed at a national level is of 1.25%;
- For the purpose of increasing the population accessibility to the health services included in the programme, the county houses of health insurances concluded more than 10,388 agreements with primary health care practices, of which approximately 4,521 in the rural environment.
- In order to provide support to the patient coming to the family doctor, the collection of biological samples is done by the latter, in its office, so that 83.51% of the practices meet the requirements related to the safe collection and transport of tests. This facility is available even in the rural environment, among the 2,893 practices that are correspondingly equipped.
- For the purpose of completing the clinical examination, as well as for identifying new affections, depending on age, gender, anamnesis, existing pathologies and estimated risk, 59,573,557 medical analyses were carried out.
- For the purpose of performing the medical analyses prescribed by the family doctors, 1,024 agreements were concluded with medical analysis laboratories that carried out paraclinical investigations for 9,328,548 persons, as follows:
- 9,922,904 hemoleucogram;
 - 5,050,398 serous creatinine;
 - 9,883,383 glycaemia;
 - 3,411,001 iron content in the blood;
 - 9,583,443 urine analysis;
 - 6,935,351 total serous cholesterol;
 - 5,552,964 HDL cholesterol
 - 6,559,400 Triglycerides
 - 7,603,326 TGP (transaminases).
- Financially, during the 12 months health services provided by family doctors and laboratories amounting to RON 556,511,15 thousand (approximately EUR 154.58 millions) were reimbursed as follows:
- a) Family doctors: RON 167,074.96 thousand
 - b) Paraclinical services: RON 366,220.13 thousand

meaning RON 50.11 per person.

Further to the implementation of this programme a series of risk factors in the behaviour of the population were established:

- With respect to nutrition: 34% of the men, and 23% of the women consume fat meat on a daily basis; 76% of the men and 80% of the women consume vegetables and fruits on a daily basis;
- With respect to the alcohol consumption: the percentage of the men who consume alcohol, at national level, is of 30%, while only 6% of the women consume alcohol. The distribution by residential areas is of 11% in the urban areas and 21% in the rural ones.
- With respect to smoking: 29% of the men and 12% of the women. The distribution by residential areas is of 22% in the urban areas and 17% in the rural ones.
- With respect to the physical activity: 68% of the men and 67% of the women walk by foot at least 30 minutes, 5 times a week; 2% of the men and 1% of the women practice sports on a regular basis.

The usefulness of the results obtained by a more thorough and detailed analysis of the data shall sustain the institutional efforts in identifying all the characteristics of the population subject to illness-contracting risk, as well as in redefining the national health programmes. The concrete measures taken as a result of this programme are:

- Draft of a 3-year project of primary prevention for the risk factors of nutrition and physical activity in partnership with the Ministry of Education, Research and Youth (effect on cardio-vascular diseases and cancer);
- Definition of a vaccination programme for HPV, virus associated to 96% of the carcinoma of the uterine cervix, programme which is planned within the vaccination school campaigns for the group of girls enrolled in the 6th grade, starting with the autumn of 2008;
- Organised screening programmes for the carcinoma of the uterine cervix, breast cancer and colon cancer which shall be introduced step by step, as from October 2008 (carcinoma of the uterine cervix);
- Increase of the efforts related to the drafting of diagnosis and treatment guidelines and protocols for the purpose of a judicious use of the drugs by the doctors (i.e. oncology);
- Increase of the budgets for the pathologies with high frequency of the new illness cases identified by the programme for colorectal and breast cancers.

In order to increase quality of the health services, in 2007 the providers of health services, medical devices, drugs and sanitary materials were subject to assessments. Thus, assessment visits were carried out and 1,106 assessment decisions were issued. At the same time, at the level of the National Health Insurance House commission of experts were established for the purpose of monitoring the specific treatment for the beneficiaries of the national health programme for curative purposes, as well as the specific medication for the patients whose treatments are approved by the commission of the national house.

4.2.2 – Priority policies regarding health services accessibility

The Romanian health system is based on the social insurance model and aims at ensuring the equitable and non-discriminatory access to a basic services package for the insured. In order to assess the accessibility, proximity indicators which to identify possible population groups or geographical areas disadvantaged in terms of access to services for which targeted policies should be developed. The driving factors influencing the degree of population's accessibility to the health services are generally represented by: the level of poverty, unemployment, occupation, residence environment, the insured status within the health insurance system, the extent to which the medical personnel is provided.

Among the actions which are intended to support Romania's efforts to facilitate the access to health care services we mention the reduction of the impact on the public health of the contagious diseases with major impact (HIV, Tuberculosis, sexually transmitted infections, nosocomial infections), as well as of the chronic diseases, and the focus on the prevention actions and ensuring basic services to the population exposed at high risk. This can only be achieved by the identification of the actual care needs for different groups of vulnerable population and drafting of national and regional maps including the operational outpatient health care facilities (health centres, polyclinics, new first-aid services, home visits, palliative cares, mental health at community level) based on the population density.

At the same time, the actions shall be focused on the assessment of the individual risk factors and risk factors at community level by the actions included in the National Programme regarding the Assessment of the Health Condition of the Population in the Primary Health Care. At the same time, educational health programmes with respect to the risks entailed by the cigarette, alcohol and drug consumption targeting the students, teenagers and young adults, programmes for the promotion of a balanced nutrition containing the basic food principles and under hygiene conditions.

A major priority of the Romanian health system refers to passing the accent on the preventive health services and increase of the level of health-related training of the population for the purpose of adopting healthy behaviours by:

- Adapting/drafting the adequate legislative framework so as the educational actions focused on health issues and the actions for the promotion of the health should have a preferential regime as for the access to the target population by visual, oral and printed mass media, both at national and at local level;
- Organising information sessions for the purpose of facilitating the access of the local communities/authorities to European funds;
- Creating WebPages for the purpose of disseminating information related to the health services and the access of the target population group to them;
- Strengthening the inter-ministerial cooperation targeting the development of joint programmes, such as: "healthy communities", "schools that promote a healthy life style".

The development, modernisation the health service providers infrastructure and providing them with medical appliances/equipment and specific means of transportation shall be carried on with also during the following period. Thus, the construction of 28 new hospitals (8 regional emergency hospitals and 20 county emergency hospitals), the rehabilitation of 15 county emergency hospitals, provision of high-performance medical appliances, as well as the purchase of 1,520 ambulances are taken into account.

In Romania the inequities in the provision of health services is quite an important phenomenon and for the purpose of reducing it, provision of health services in isolated areas and in those economically disadvantaged are taken into account by the pilot programme "Health Caravan". The purpose is to facilitate the access to the health services of the population from isolated or disadvantaged areas, in which other methods to provide health services cannot be ensured. By the introduction of this system, the assessment of the health condition of the population, early diagnosis and correct treatment of the contagious diseases, as well as the improvement of the level of health-related training of the population are ensured. Thus, physical examinations may be carried out, the arterial tension or glycaemia may be measured (or other screenings, as the case may be), biological samplings may be taken and kept, the vaccines may be transported or stored, as well as health-related training activities may take place (IEC materials for the population, information kits for the medical personnel).

The development and expansion of the integrated community health assistance shall be carried on also during the following period at the community level so as to solve the medico-social problems of the individual, in order to maintain the latter in his/her own life environment and such assistance shall be provided in an integrated system with the social services. The purpose of the integrated community health services is to ensure the medico-social care services that may be supplied at the community level, in order to optimise the specific actions and increase the efficiency of the use of the allotted funds. The beneficiary of the integrated community health assistance is the community from an established geographical area, mainly the categories of vulnerable persons facing one of the following situations: economic level beyond the poverty threshold; unemployment, low training level; various disabilities, chronic diseases; diseases in a terminal stage requiring palliative treatments; pregnancy; third age; children under 5 years of age; one-parent families. The results expected in the following 2 years are: employment of 500 community nurses per year; employment of 50 health mediators for Roma/year; organisation of training courses for the community nurses focused on public health and health-related training.

The development of a strategy for the development of home care services, as central element of the primary health assistance and which shall contribute to a better recovery of the individual shall be carried out through the cooperation between the Ministry of Public Health and Ministry of Labour, Family and Equal Opportunities and shall be materialised by the launching of a national programme to be implemented at the level of three pilot counties.

At the same time, the Ministry of Public Health tries to find solutions for increasing population's access to medicines by reducing the prices and drafting adequate price standards for the drugs for human use. At the same time, the population's access to medicines shall increase by: setting up pharmacies or authorised outlets of the pharmacies in disadvantaged areas, allotment of adequate funding from the health insurance houses for the purpose of reimbursing the prescribed drugs, granting the support required for introducing in the country, storing and distribution of the substitution medication by authorised units of the Ministry of Public Health in the existing treatment centres subordinated to the ministry, as well as in the centres set up by the National Anti-Drug Agency.

4.2.3. – Priority policies regarding the quality of the health care services

The quality of the health services is a more and more important principle in the health field, since it increases the patients' degree of information, simultaneously with the technological and treating progresses. The quality of the health services has numberless sizes, of which the most important are the effectiveness, efficiency, sustainability of care services, patient's safety, completion of the medical staff, patient's satisfaction, as well that of the medical staff. According to the law, the Ministry of Public Health regulates and approves measures for increasing the quality of the health services.

The adoption of concrete measures which shall contribute to ensuring the continuity of the medical act, through the increase of the weight of home care services, primary health assistance and outpatient specialised services refers to: the increase of the weight of the primary health care, computerisation of the health services system and follow-up of the patient's medical history, drawing up of Chronic Disease Register at county, regional and national level, home care programmes, increase of the patient's information, education and communication degree in order to prevent the non-contagious diseases/change the population behaviour towards a healthy behaviour, development of the institutional capacity in charge with the assessment of the quality and authorisation of health services providers.

Although there are no unique health care standards, the European Union deems the right of the citizens to high quality care services a fundamental right and supports the national policies targeting the introduction of the measures for guaranteeing the products, services and high quality management within the health system.

Another element contributing to the improvement of the quality of the medical art relates to the enhancement of the professional skills of the medical staff. The human resources are the most important components in the provision of health cares. Planning of the human resources and mainly of the doctors must be a priority in the policies of the health sector. Although they count only for approximately 15-20% of the medical staff, the doctors are those who influence to the higher extent the quality and costs related to the health services.

The policies related to medical staff development must follow a systematic approach so as to consider the 3 main stages of the professional training: basic higher education, specialised further training (residency, certification, etc.) and permanent medical training. On order to avoid any conflicts, it is advisable that the practically exclusive competence of the Ministry of Education

and Research is observed with respect to the base training, that of the Ministry of Public Health with respect to the specialised training and of the Romanian College of Physicians with respect to the permanent training, but maintaining a coordination of the three institutions in charge so as to ensure a continuity of the training and professional skills development process.

The public policies drafting process is less based on registering of concrete data with respect to the health condition of the population or on setting priorities based on a medicine supported by evidences or cost effectiveness of the treatments. The programmes initiated within this component target the establishment of a strategic framework for the development and collection of coherent and continuous information, which to provide a valid basis for the future decisions.

4.2.4. – Priority policies regarding the financing of the health care services

At present, the financing sources of the public health sector are: the state budget, budget of the national sole health insurance fund, local budgets, own incomes, external credits, external grants, donations and sponsorships according to the law. Of the total financing resources, the national sole health insurance fund holds the highest weight, namely 75% in 2007.

1. Increase of funds use transparency

- Drafting of the legislative framework for the payment of debts recorded by the health units with beds during the period 2003-2005, amounting to RON 172.4 mil., RON 28 mil. being paid in 2006 for whose payment funds were to be requested in 2007, upon the budgetary adjustment.
- Computerisation of the health system so as to report actual costs of the health services, in this respect additional funds being requested upon the budgetary adjustment of 2007.
- Organisation of national tenders for the procurement of vaccines, drugs, sanitary materials, services and other specific materials required for the achievement of certain objectives and activities included in the national health programmes.
- Strengthening the assessment, audit and control capacity of MoPH.
- Permanent posting of the financial data of public interest by the health services provider of the public system, MoPH or CNAS (Social Security Agency), as the case may be.

2. Measures for strengthening the financial discipline

- Ensuring the financing of the budgetary health sector, of the national health programmes and other actions and activities, observing the legal provisions and the approved budget.
- Sustaining the proposals of initial budget and budgetary adjustments by the main political strategies and priority projects of the Ministry of Public Health.
- Monitoring the manner in which the public financial resources are used.
- Strict observance of the financial and budgetary discipline, by issuing methodological norms and guidelines for the enactment of legal provisions, and accounting regulations specific to the sanitary field.
- Supplementing the legislative framework in the field of public health by drafting regulations.

3. Judicious allotment of funds in the health units and attracting of new financial sources in the sanitary field

- Payment of the equivalent value of the health services based on objective criteria and reduction of the influence of the historic price.
- Recognition of the expenses incurred in relation to each patient for all the health services that he benefits or benefited from.
- Attracting additional resources with a view to financing the health-related expenses, and in this respect by the Law no. 95/2006 on healthcare reform introduced certain contribution of the legal persons that manufacture or import tobacco products, alcoholic drinks or earn money from advertising the same, which, according to the law are used for investments in the health system infrastructure, financing of national health programmes and for the reserve of the Ministry of Public Health for special situations.
- The payment by the National House of Pensions and Other Social Insurance from the budget of the risk fund for occupational diseases and industrial accidents of the expenses incurred by the health units providing such health services. In this respect, the Law no. 346/2002 on industrial accident and occupational disease insurances was amended and the Joint Methodological Norms of MoLSSF and MoPH no. 450/825/2006 were issued.
- The take over of certain activities and departments whose expenses encumbered the budget on the National Sole Health Insurance Fund, as well as the financing of certain curative health programmes which are developed using transfers from the state budget and own incomes of the Ministry of Public Health (the National Programme of diabetes mellitus, the national programme of transplant of organs, tissues and cells, haemophilia and thalassaemia treatment).

4. Development of partnerships for the provision of medical and non-medical services

- outsourcing certain non-medical services
- changing the profile of certain ineffective units
- encouragement the cooperation and partnership with the private sector, non-government organisations and civil society
- setting up private sections in the public hospitals
- creating an actually competitive environment among the health services providers

5. Increase of the capacity to control the costs

At present, the calculation of costs for each patient and the introduction of a regular calculation process of the costs related to hospital services is ensured to quite a reduced extent. The transparency in the health system is the essential condition for the achievement of an equitable allotment based on the cost/efficiency ratio.

- Improvement of the financing mechanisms of the health services providers using methods which to reflect the provided work and to stimulate the quality of the medical act;
- Drafting of clear methodologies for the use of financial resources;
- Introduction of mechanisms for monitoring the use of the financial resources;
- Specific training of the personnel involved in the control activity, as well as of that authorising the use of the resources

Section 4.3 – Long-term care services

In the field of social services, also including the long-term care services, a broad legislative framework was developed, taking into account the specific needs of the different vulnerable groups: the elderly, the disabled people.

As far as the elderly care services is concerned, the legislative framework is represented by the Law no. 17/2000 on the Social Assistance Granted to the Elderly, and the National Strategy for the Development of the Social Assistance System for the Elderly (2005 -2008). Thus the services rendered to the elderly include:

- a) temporary or permanent home care;
- b) temporary or permanent care in a old-age home;
- c) care in day centres, clubs for the elderly, temporary care homes, social apartments and dwellings, as well as other similar.

The home care is the most efficient strategy for dependant elderly care not only because this method involves a reduced cost as compared to the institutionalised care, but also because it is preferred by the persons at issue, representing an essential attribute for ensuring the life quality increase.

In order to provide home care services, in Romania the programmes allowing for the development of the social infrastructure likely to support an actual network of services which to be coordinated with other structures, namely to the medical and social ones are treated as priorities. This implies sufficient financial means, granted according to a well structured model defined at national level, specialised personnel, whose dimensions are established according to the social problem, the involvement of the civil society, development of the voluntary services, granting support to families and carers.

Most of the dependant elderly benefit from the care services provided inside the family. This reality raises numerous problems that need to be solved. Most family carers are women, wives or daughters. Many carers are in their turn elderly persons and may become dependant. The family care is ensured mainly in the rural area, where the traditions and moral values are maintained to a higher extent.

For the persons ensuring home care for elderly, the Methodology for the Authorisation of the Persons Providing Home Care for Elderly was drawn up and according to it, the temporary or permanent home care of the elderly may be provided, only with the person's consent, by an authorised natural person, named carer or by a legal person with competences in this field, provided that it has a skilled personnel.

The home care implies the provision of social and socio-medical services, recommended according to the National Grid for the Dependant Elderly Assessment. The decentralised structures of the Ministry of Labour, Family and Equal Opportunities approve the accreditation of the carers, further to an application submitted by the persons requesting this, if the stipulated conditions are met. The accredited natural or legal persons receive a "certificate of elderly carer" which is issued for a maximum period of one year. Yearly or whenever it is deemed necessary, the social division of the local councils draws up a Report assessing the activity performed by the carer, which it submits to the labour and social protection directorate. Based on this report, the certificate may be renewed, suspended or withdrawn.

For the purpose of supporting the informal carers, the local councils may employ, on a full-time or part-time basis, the spouse or relatives of the beneficiary, ensuring the payment for this period at a value computed according to the monthly gross salary of the junior social worker with high school education; at the same time, although working on a part-time basis, the time worked as carer is deemed as if working on a full-time basis. The personnel providing home care services may be employed by the local councils and remunerate, based on the necessary care period, by hourly payment, part-time or full-time payment.

At the same time, elderly care is also performed in residential institutions, and homes, being a social assistance measure ordered as an exception, with priority criteria being taken into account. The main objectives of a home are to ensure the maximal autonomy and safety, necessary supervision and health care services, to provide support for the improvement of the physical and intellectual abilities, to stimulate the participation of the elderly to the social life.

Residential institution for the elderly:

| | Elderly homes | | | | | |
|------|---------------|----------------------|----------|--------------|----------------------|----------|
| | Local budgets | | | NGO budgets | | |
| | No. of units | No. of beneficiaries | Capacity | No. of units | No. of beneficiaries | Capacity |
| 2005 | 19 | 1,891 | 2,011 | na | na | na |
| 2006 | 54 | 4,441 | 4,827 | 32 | 1,147 | 1,267 |
| 2007 | 68 | 4,711 | 5,588 | 38 | 1,301 | 1,429 |

Source: Ministry of Labour, Family and Equal Opportunities

The financing of the system is mainly ensured from the local budget by granting of subsidies in order to supplement the extra-budgetary revenues of the homes. The local budget also covers the financing of the expenses related to the organisation and operation of the community services, included those granted at home, the burial-related costs if there are no legal supporters or the latter cannot honour their family obligations for financial or health-related reasons, as well as the financing of the expenses related to the social assistance of the NGO. From the state budget, the expenses related to investments and capital repairs of the social assistance units located in disadvantaged areas are covered, the extra-budgetary revenues of the homes are supplemented, subsidies for the social assistance programs developed by the NGOs, as well as other expenses deemed priorities and included in the annual budgetary laws are paid. The current expenses and the expenditure of capital of the old-age homes are ensured from the extra-budgetary revenues and subsidies granted from the state budget. The main maintenance contribution is established by the management of the home, based on the dependence degree of the elderly or of the legal supporters.

The responsibility to develop the social services system for the disabled persons remains with the National Authority for Disabled Persons. The rate of the disabled persons (children and adults) in 2006, was of 2.25% of the population of Romania (488,054 persons, of whom 261,449 are women), slightly increasing during 2007, namely by 2.63% (567,542 persons, of whom 308,812 are women).

| | Disabled adults under the care of the family or living on their own | Disabled adults assisted in residential institutions | TOTAL |
|------|---|--|---------|
| 2006 | 415,802 | 17,131 | 432,933 |
| 2007 | 493,910 | 16,736 | 510,646 |

Source: National Authority for Disabled Persons

In the field of special protection of the disabled persons, the year 2006 was the first implementation year of the National strategy on the social protection, integration and inclusion of the disabled persons for 2006 – 2013 “Equal opportunities for disabled persons – towards a society without discrimination”¹. The main concern was to restructure the old-fashion residential institutions by: reducing the number of the assisted persons, redefining the mandate of the institution, implementing the quality standards for the provided services, re-modulation, refurbishment, endowment, equipment of the new centres, training/advanced training/vocational rehabilitation of the personnel, recruiting of specialised personnel.

During the period 1 January 2007 – 31 December 2007, the number of social assistance services for disabled adults increased, proving the increasingly involvement of the local authorities in the promotion of the measures for special protection of the disabled persons.

Evolution of the social assistance services and institutions for adults:

| Type of institution / service | Number of institutions | | |
|--|------------------------|------------------|------------------|
| | 1 January 2005 | 31 December 2006 | 31 December 2007 |
| Neuropsychic recovery and rehabilitation centres | 25 | 33 | 45 |
| Centres of integration by occupational therapy | 11 | 18 | 18 |
| Recovery and rehabilitation centres | 20 | 21 | 34 |
| Pilot recovery and rehabilitation centres | 6 | 5 | 1 |
| Care and assistance centres | 83 | 83 | 98 |
| Day centres | 4 | 8 | 13 |
| Social centres | 0 | 1 | 1 |
| Respiro centres | 0 | 1 | 5 |
| Assistance technology centres | 0 | 1 | 1 |
| Pilot centres of professional recovery and integration | 0 | 1 | 1 |
| Neuromotor recovery centres | 0 | 34 | 36 |
| Protected homes | 0 | 14 | 70 |
| Protected workshops | 0 | 6 | 11 |
| Professional training and advanced training centres | 0 | 7 | 7 |
| Crisis centres | 0 | 2 | 2 |
| Home care | 0 | 2 | 2 |
| Counselling and assistance services for socio-professional integration | 0 | 2 | 3 |

Source: the National Authority for Disabled Persons

The National Authority for Disabled Persons developed an assessment tool named ROM-CAT, used in relation to the identification and analysis of the social services adjusted to the clients. At the same time, it represents a starting point in the establishment of the Individual rehabilitation plan. The tool also includes a module for the assessment of the professional potential and

¹ Government Decision no. 1175/2005 on the approval of the National strategy on the social protection, integration and inclusion of the disabled persons for 2006 – 2013 “Equal opportunities for disabled persons – towards a society without discrimination”

professional reintegration services, which shall lead to the provision of professional training and reintegration services. The ROM-CAT sections related to vocational training provide a basic orientation with respect to the professional potential and ability to perform a professional activity. ROM-CAT is also a complex tool covering different aspects of the personal profile. This is required since most beneficiaries have complex needs, which require various types of services. Based on this complex assessment of needs, the service providers may ensure the client's access to a block of community full services, which start from the early intervention to support up to the treatment of the case, and are provided by a multidisciplinary approach requiring a partnership between the various providers.

The importance of drawing up the customised services plan is very clearly regulated by the existent legislation and the ROM-CAT tool supports the creating of this plan by providing precise information on the social needs of the disabled persons so as to enable the provision of the most adequate services.

Based on the social, psychical and medical assessments, the disabled person is entitled to a personal nurse who must monitor the implementation of the customised services plan recommended to the disabled person. If the person with a severe or accentuated disability does not have any home and does not gain incomes equal at least with the national average salary may be entitled to receive the care of a professional personal social worker. The services provided by the professional social worker must comply with the compulsory minimum quality standards.

The provision of long-term care services is one of the challenges faced by any society in which the pressure of developing an adequate and financially sustainable services system is increasingly higher. This is also due to the demographic framework characterised by an increase of the number of the elderly, as well as of their life expectancy. The consequences of this situation refer to the increase of the costs related to service provision, which implies the need to find solutions for ensuring the financial sustainability.

The present objective of the Romania system of long-term care services is that to provide adequate social and health services at the right time and place, so as to ensure a continuous provision. These services are developed so as to ensure the complementariness with the services rendered by the informal carers and to support the beneficiaries in order to be as independent as possible. In this respect, the long-term care system may be deemed to include three components: home services, services in residential system and socio-medical services.

The need to develop social services as customised to the client as possible and which have mainly a preventive nature must be the core matter of the system reform. Thus, the development of the primary social services system by strengthening the institutional capacity of the local public authorities in charge with the development of such services (ensuring well trained human resources, ensuring the necessary financial sources, etc.).

Most of the dependant elderly benefit from the care services provided inside the family. This reality raises numerous problems that need to be solved. Most family carers are women, wives or daughters. But the economic realities, the need of resources make the women get employed, and the young women to migrate from the village to the cities seeking for a job. Many carers are in their turn elderly persons and may become dependant. The family care is ensured mainly in the rural area, where the traditions and moral values are maintained to a higher extent.

Considering the fact that the informal carers are essential actors in the long-term care services system, the families will continue to be the main pillars that must make sure that the care needs of the elderly are satisfied and that the provided services have the required quality. The main actions which are considered for the following reporting period relate to the continuation of the efforts to support the families, friends and voluntary sector in their provision of care services to the elderly. This objective must be achieved only by establishing in each community training and information programmes, so as to enable the informal carers to fulfil their tasks. At the same time, the cooperation with the employers shall be increased in order to encourage them to implement policies regarding flexible jobs which to support the family members in order to take care of the dependants.

In relation to the care of the dependants, the Romanian long-term care services system sets forth the existence of several professionals, such as: personal professional nurses for the disabled persons, childcare assistants, etc. In order to be able to provide quality services, the formal carers must be well trained, so as to be able to satisfy the needs of the persons that they must take care of; therefore, several training programmes aiming at developing the skills required for the use on the new technologies and for the rehabilitation and assistance of the person in need shall be organised.

In Romania, the social services in general and the long-term care services in particular are governed by a legislative framework setting general quality standards for all the social services providers, as well as quality standards specific to each type of developed social service. The introduction of these standards has the role to ensure an adequate quality level and at the same time gives the opportunity to continuously improve the quality of the system.

The introduction of the process of accrediting the social services providers was intended to stimulate the development of a qualitative system of social and long-term care services services. Thus, such accreditation gives to a certain extent the surety that the social services providers will provide services that shall comply to minimum quality principles so as to meet the beneficiaries' requirements.

Within the framework of the accreditation process, the observance of the quality standards for the services in relation to which the provider applies for accreditation is one of the essential conditions, and the assessment of the observance thereof shall be part of the assessment report. The standards that need to be observed are general quality standards regarding the social services and the method of assessing their fulfilment by the providers. These social services standards are based upon by the European Quality in Rehabilitation Award (EQRМ)², a system of quality assessment broadly used at European level, which was developed for the social services provided for disabled persons, but which also applies to a great extent to other coverage areas of social services provision. EQRМ is based on the Business Proficiency Model and on the concept of total quality management, which involves not only the service in itself but also the entire organisation providing the service.

The standards are solely based on principles and values, are applicable to all the social services and more important they imply a high quality development of the social services, taking into account the principle of learning from good practice examples and thus to seek a continuous improvement of the activity.

The quality standards were worded and structured in 9 chapters, which represent in fact 9 proficiency principle, namely:

- Leadership: efficiency in management and external leadership
- Rights: observance and promotion of the beneficiaries' rights
- Ethics: respecting the dignity of the individual when providing services

² The copyright over the EQRМ on the Rehabilitation Proficiency Principles as well as "Fast Examination" EQRМ must be set forth in all the official documents

- Coverage: ensuring a diversity of the services, which add value for all the interested persons
- Person-oriented: ensuring the provision of customised services
- Participation: participation of the beneficiary persons
- Partnership: cooperation between the public and private services providers in all the activities
- Result-oriented: efficiency by measuring and monitoring the results of services provision
- Permanent improvement: reanalysis of the performance, systematic improvement of the services and personnel training.

A permanent preoccupation of the Romanian Government is focused on promoting the participation of the beneficiaries in the development of the system of social services provided to the elderly. A concrete example is the National Council of the Elderly was set up and has the following responsibilities:

- a) to support the government institution in the application of the recommendations of the World Assembly on Ageing and to follow up their implementation;
- b) to propose the Government programmes regarding the permanent improvement of the life conditions of the elderly;
- c) to follow up the enactment of the legal regulations regarding the elderly and to notify the relevant body any found violation;
- d) to draft, in cooperation with the specialised institutions, sociologic studies and analysis in the field;
- e) to endorse bills on the elderly, such endorsement being consultative;
- f) to support the association of the elderly and their active participation in the social life;
- g) to draft points of view on the bills targeting the elderly;
- h) to represent the elderly of Romania in the relationships with similar organisations from other countries or with international organisations of the elderly.

The demographic trends of the last years characterised by an increased life expectancy and the reduction of the birth rate led to a permanent change of the structure of the population. Thus, the aging of the population seems to be increasing, and the forecasts confirm this fact. All these changes in the population's structure by age groups have an impact on the entire society, as well as on the national economy.

The increase of the costs related to the provision of long-term care services is an obvious fact and the authorities must identify the most adequate financial tools for the financing and development of the system. In this respect, the reconsideration of the financing system shall be focused on two axes, namely: the payment of the services by the client, the state intervening by financially supporting the persons who cannot cover the costs, as well as the provision of sufficient financial resources so as to enable the local authorities to develop an adequate system, focused on the actual needs identified in the community. The financing of the services system must be reviewed so as to be able to create a system that reflects the actual costs related to the development of the system and entails the stimulation of service quality increase.