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## **EUROPEAN SOCIAL CHARTER**

Ad hoc report on the cost-of-living crisis

submitted by

**THE GOVERNMENT OF ROMANIA**

Report registered by the Secretariat

on 22 January 2024

**CYCLE 2024**

**AD HOC REPORT**  
**ON THE COST OF LIVING CRISIS**

**SUBMITTED BY**  
**THE GOVERNMENT OF ROMANIA**

Questions focused on aspects of articles 4§1, 12, 13, 15, 16, 17, 23, 30 and 31

2023

**Ad hoc Report**  
**Questions on the cost of living crisis**

**1) Please provide information as to whether and how the statutory minimum wage is regularly adjusted/indexed to the cost of living. Please indicate when this last happened, specifically whether it has been adjusted /indexed since the end of 2021.**

Currently, in Romania, there is no automatic indexing formula for the minimum wage to the cost of living. According to the legal provisions in force (Law no. 53/2003 - Labour Code), the gross minimum wage, corresponding to the normal work schedule, is established by a GD, after consulting the social partners (union and employers' confederations) and after going through several stages.

The revision of the gross minimum wage per country is debated as follows:

- in the Tripartite National Council for Social Dialogue - constituted at the level of the Government of Romania, based on the Social Dialogue Law no. 367/2022;
- in the Social Dialogue Commission at the level of MoLSS - in accordance with the Social Dialogue Law no. 367/2022;
- in the Economic and Social Council - according to Law no. 248/2013 on the organization and operation of the Economic and Social Council, republished;
- at the same time, the Small and Medium Enterprise Test (SME Test) procedure is also applied (provided for by Law no. 346/2004 regarding the stimulation of the establishment and development of small and medium-sized enterprises).

Finally, after all these stages have been completed, the draft GD is approved by the Government.

Adjustments since the end of 2021:

- Starting with January 1<sup>st</sup> 2022, the Government increased the minimum wage to 2,550 RON per month, compared to 2,300 RON in 2021, which represents an increase of 10,9%, compared to December 2021;
- Starting with January 1<sup>st</sup> 2023, the Government increased the minimum wage to 3,000 RON per month, compared to 2,550 RON in 2022, representing an increase of 17,6% compared to the level of 2,550 RON;
- According to GD no. 900/28 September 2023, the Government has increased the minimum gross wage to 3,300 RON per month, starting with October 1<sup>st</sup> 2023, compared to 3,000 lei.

The measure aims to reduce the number of employees at risk of poverty and social exclusion and will have positive social effects by stimulating employment and increasing their purchasing power.

For the construction field, starting from January 2023 until November 2023, the minimum wage was 4,000 RON, compared to 3,000 RON in 2022. Starting with November 2023, the minimum wage is 4,582 RON.

For the agricultural and food industry sectors, starting with November 2023, the minimum wage is 3,436 RON, compared to the previous value of 3,000 RON.

All increases cover the inflation rate for 2022.

We also mention the fact that, within the National Recovery and Resilience Plan, Romania has provided for a reform regarding the method for establishing the minimum wage, which consists

in establishing the level of the minimum wage, starting with 2024, according to a mechanism and a new formula, in an objective and systematic way, in consultation with social partners and in accordance with the provisions of Directive (EU) 2022/2041 of the European Parliament and of the Council of 19 October 2022 on adequate minimum wages in the European Union.

The main activities within this reform:

- Carrying out an analysis/study on the method of establishing the minimum gross salary per country guaranteed in payment;
- Elaboration of the objective mechanism for establishing the minimum gross salary per country guaranteed in payment;
- Adoption and entry into force of the normative act regarding the objective mechanism for establishing the minimum gross salary per country guaranteed in payment - Q1 2024.

**2) Please provide information on any supplementary measures taken to preserve the purchasing power of the minimum wage since the end of 2021.**

Considering the excessive increase of food prices that produces major imbalances between demand and supply on the agri-food market, this being an obvious dysfunction of the market, also felt by the final consumer, who is particularly vulnerable, a temporary measure was adopted - GEO no. 67/2023 *regarding the establishment of a temporary measure to combat the excessive increase in prices of some agricultural and food products.*

The temporary measure to combat the excessive increase of prices consists in limiting the commercial additions practiced for the products that are listed in the Annex of the above mentioned Ordinance: plain white bread; cow milk, excluding UHT; cow cheese in bulk; plain cow yoghurt; white wheat flour; corn flour; chicken eggs; sunflower oil; fresh chicken meat; fresh pork meat; fresh vegetables in bulk; fresh fruits in bulk; fresh white potatoes in bulk; white sugar.

Both the legal framework and the mechanisms for the centralization and permanent record of agricultural product stocks were adopted to ensure food security, protect the life and health of the population during emergency situations (epidemics, conflicts, etc.), respectively Law no. 105/2023 *on the regulation of the way of reporting stocks for agricultural and food products.*

Economic operators within the agri-food sector have the obligation to provide statistical data for the record of stocks of agricultural and food products to the Ministry of Agriculture and Rural Development, in order to ensure the traceability of these products on the market. Based on these statistical data, public subsidy policies in the agri-food sector will be established.

**3) For States Parties with no statutory minimum wage, please describe any measures taken to preserve the purchasing power of the lowest wages since the end of 2021.**

Not the case.

**4) Please provide information as whether the cost of living crisis has led to the extension of in-work benefits<sup>1</sup>.**

POCU 2014-2020 represents an important source of investments in the field of employment, education, combating poverty or supporting social services.

The measures in the field of employment targeted groups of people in a difficult situation on the labour market, such as: unemployed and inactive people, especially the long-term unemployed, older workers (55-64 years), disabled people, people with low educational level, Romanian citizens belonging to the Roma minority, people from rural areas, especially those in subsistence and semi-subsistence agriculture. The proposed activities were based on the identification of the needs of the labour market generated by the high degree of unemployment or inactivity among some categories (such as the elderly, people with a low level of education, people of Roma ethnicity, people from rural areas), the persistence of long-term unemployment, the needs for economic development and the reduction of regional gaps regarding employment opportunities and the encouragement of mobility, respectively the needs of the labour resource determined by the low degree of employability for certain categories, low level of skills and the low involvement of employers in the training process to increase the level of qualification among people with low education.

POAD 2014-2020 supports the distribution of food and basic material assistance for the most disadvantaged persons, referred to in Article 2(5) of EU Regulation no. 223/2014 of the European Parliament and of the Council of March 11, 2014 regarding the European Aid Fund for the most disadvantaged people. The interventions financed by POAD contribute to the achievement of the objective established within the Europe 2020 Strategy and the National Reform Program, namely the reduction by 580,000 of the number of people exposed to the risk of poverty and social exclusion by 2020, compared to 2008. All POAD measures, including those aimed at social inclusion, aim to eliminate poverty manifested by the lack of possibilities to ensure a basic level of food and materials.

According to provisions of the national legislation, namely article 4 of Law no. 292/2011, the right to social assistance benefits is granted in Romania without discrimination, for all Romanian citizens as well as for all the foreigners and stateless persons who have the domicile or residence in Romania. According to this principle, the vulnerable persons are benefiting from measures and social protection actions without any restriction or preference of race, nationality, ethnic origin, language, religion, social status, opinion, sex or sexual orientation, age, political affiliation, disability, chronic illness or belonging to a disadvantaged category.

Therefore, the persons able to work or who are active on the labour market are enjoying their rights to social assistance benefits, if the eligibility conditions are met. At the national level, the aim is to provide social assistance benefits to all people and families in difficulty, as a form of support in order to promote social inclusion and increase their quality of life, to progressively reduce existing inequalities in social protection, by accessing adequate jobs and by ensuring the access to quality social services.

**A short description of the programs currently implemented by MoLSS in order to reduce the poverty and promote the social inclusion of all the vulnerable persons can be found under question no. 5.**

**Most of these programs can be accessed also by vulnerable families where some of the members are people active on the labour market, if the eligibility conditions are met.**

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<sup>1</sup> Supplements to support workers on low incomes such as the prime d'activité in France, or the Working Family Payment and the Back to Work Family Dividend in Ireland.

At the same time, within the PNRR, Romania has assumed the implementation in the next period of the program on the MII which targets the situation of the most vulnerable persons. As a general objective, the reform proposal envisages the revision and application of the provisions of *Law no. 196/2016 on the minimum inclusion income*, as well as the development of the National Integrated Social Assistance System. In this regard, the legislative changes recently adopted will allow the implementation of the reform at the beginning of January 2024.

During the reference period, the authorities focused on the implementation of the provisions of the Directive 2019/1158/UE on work-life balance for parents and carers and repealing Council Directive 2010/18/EU. The Directive lays down minimum requirements designed to achieve equality between men and women with regard to labour market opportunities and treatment at work, by facilitating the reconciliation of work and family life for workers who are parents, or carers. To that end, this Directive provides for individual rights related to the following: paternity leave, parental leave, carers' leave and flexible working arrangements for workers who are parents, or carers. All the family policies and the programs developed by EU Member States must take into account the provisions of European law governing the work-life balance to the benefit of parents and carers.

In order to **ensure the complete harmonization with the provisions of above-mentioned Directive (the Romanian Government revised the legislation in force and recently adopted the following normative acts:**

- *GEO no. 164/2022 on the modification and completion of GEO no. 111/2010 on parental leave and child raising benefits;*
- *GEO no. 117/2022 on the modification and completion of the Law no. 210/1999 on paternity leave.*

**5) Please provide information on changes to social security and social assistance systems since the end of 2021. This should include information on benefits and assistance levels and the allocation of benefits.**

In the public pensions system, social security benefits substitute the total or partial loss of insured income as a result of old age, disability or death. Social insurance benefits are provided in the form of pensions, allowances or other benefits.

The old-age pension provided by the public pension system is paid on a monthly basis and calculated using a pension point system. It is determined by the length of contribution period and the level of earnings (which vary among individuals), as well as the pension point value (which is a constant for all pensioners).

In 2022, the Government increased the pension point value from 1,442 RON to 1,586 RON. The most recent increase of pensions took place in 2023 when a further 12,5 % increase of the pension point was legislated. Thus, starting with 01.01.2023, the value of the pension point is 1,785 RON.

In the field of social assistance, Romania has recently adopted the National Strategy for Social Inclusion and Poverty Reduction for the period 2022-2027 (GD no. 440/2022). The overall objective of the strategy is to reduce the number of people at risk of poverty or social exclusion by at least 7% compared to 2020 by 2027. The Strategy and the related Action Plan are in line with the principles and rights enshrined in the European Pillar of Social Rights, which aim at equal opportunities and access to the labour market, fair working conditions, social protection and social inclusion. At the same time, they represent the general framework for intervention to implement public policies in the field of social cohesion and combat the complex challenges

of poverty and social exclusion, exacerbated by the health, social and economic crisis caused by the Covid-19 pandemic, with a particular focus on the social inclusion of vulnerable groups.

The Government approved in 2022 - the National Strategy on Social Inclusion of Homeless People for the period 2022-2027 and the Action Plan, documents that promote the fundamental right of homeless people to social services and a life lived with dignity. The overall objective of the strategy is to increase the social inclusion of homeless people by providing social protection appropriate to their needs, and on the basis of the analyses carried out, four specific objectives have been defined covering three levels: prevention, intervention and post-intervention. The four specific objectives are: preventing the phenomenon from increasing at national level; ensuring appropriate, multidisciplinary and integrated intervention for the social inclusion of these people; preventing post-intervention relapses and improving policy coordination at national/local level with regard to the target group.

In the area of social services reform for older people, the main priority of MoLSS is the implementation of the Strategy on Long-Term Care and Active Ageing 2023-2030, adopted in 2022.

The Strategy's measures focus on a proactive and prevention-oriented approach to long-term care to achieve the best quality of life for all and to reduce periods of functional decline and loss of capacity, ensuring independence and social participation.

The strategy envisages the development of home care and community-based day care services.

Furthermore, it aims to review the regulatory framework for social care for older people to ensure efficient funding and increase the quality of long-term care services, review quality and cost standards for services for older people, develop performance indicators for social services, review the national needs assessment grid for older people.

It is important to mention the 2022 amendments to the law on social assistance for the elderly, aiming to increase the resilience of public residential services, the share of state budget funds allocated to social services for the elderly and change the flow of funds based on the principle that funding follows the beneficiary. The law sets out the responsibilities of local and central authorities for social care for the elderly and a stable funding mechanism from the state budget for community-based long-term care services for the elderly (day care and rehabilitation centers and home care units) and support for informal care for the elderly.

The reform of long-term care for the elderly is supported by an investment programme for the creation of a network of 71 day care and rehabilitation centers for the elderly, financed by a loan from the Recovery and Resilience Mechanism amounting to 87,56 million EUR.

In 2022, the Government approved the increase in the amount of the subsidy granted from the state budget to associations, foundations and cults recognized by law for social services provided to vulnerable people, starting with 2023. The amount of this subsidy increased from 250 lei/person/month to 1,000 RON/person/month for services provided in residential centers and 600 lei/person for services provided in day centers, at home or in the community. By the Order of the Minister of Labour and Social Solidarity, the financing of a total amount of 117,509,987 RON was approved for 461 social assistance units administered by a number of 201 associations, foundations and cults serving a total number of 12,689 beneficiaries.

A particularly important achievement of MoLSS for the development of social services for the elderly in this period is the adoption of GD no. 435/2022 on programmes of national interest for the development of social services for the elderly, which envisages the establishment of 100 community social service centers for an estimated 5,400 elderly people - home care units

(30), day centers (20), social canteens and other food services (30), community care services (20), the total amount allocated from the state budget being approx. 33 million Euro.

As a result of four calls for projects during 2022 and 2023, funding amounting to almost 14 million Euro was approved for 70 projects.

Moreover, from 2023 onwards, resources are allocated from the state budget for public home care units, public day care and rehabilitation centers, as well as for the support of informal care, from amounts deducted from value added tax - in the proportion of at least 30% of the minimum cost standard approved by Government decision, in addition to the amounts allocated from the local budget. Starting with 2023, the percentage of funding for public homes for the elderly shall increase from at least 10% to at least 30% of the minimum cost standard approved by GD, in addition to the amounts allocated from the local budget.

Regarding the social assistance benefits field, at the national level, the aim is to provide social assistance benefits to all people and families in difficulty, as a form of support in order to promote social inclusion and increase their quality of life, to progressively reduce existing inequalities in social protection, by accessing adequate jobs and by ensuring the access to quality social services. Currently, the emphasis is put on the correlation of minimum income systems with employment measures, with the intention to guarantee an adequate level of these benefits based on means-testing, but also to ensure insertion of beneficiaries on the labour market.

A short description of the main programs currently implemented by MoLSS in order to reduce the poverty and promote the social inclusion of all the vulnerable persons and families is presented below:

➤ **State allowance for children:**

**Type of program:** universal benefit

**Eligibility conditions:** state allowance for children is a form of protection granted by the state to all children, without discrimination. Are entitled to child allowance also the children of foreign citizens and stateless persons residing in Romania, if they live with their parents. The program is targeting all children of up to 18 years old and young people over 18 years old who attend classes of high school or professional school, organized according to the law, until their completion, as well as young people with disabilities who follow a form of pre-university education provided by law, but not later than the age of 26 years old.

**Monthly amounts increased during the reference period 2021-2023:**

- **from 214 RON in 2021 to 256 RON in 2023:** for children aged between 2 and 18 years old, and also for young people after the age of 18 until they finish the educational courses or vocational educational courses, as well as for young people with disabilities who follow a form of pre-university education provided by law, but not later than the age of 26 years old.
- **from 427 RON in 2021 to 631 RON in 2023:** for children up to 2 years old or up to 18 years old, in the case of children with disability.

**Starting with January 2023, the amount of the state child allowance is indexed annually, ex officio, with the average annual inflation rate.**

➤ **Parental leave and child raising benefit and monthly insertion incentive:**

**Type of program:** categorical benefit (monthly benefit for raising the child)

**Eligibility conditions:** starting with July 2016 the child raising indemnity and the insertion incentive are granted to the persons who, during the last two years prior to childbirth, earned



for 12 months incomes subject to taxation according to the Fiscal Code (incomes from wages, self-employed activities, copyrights and agriculture activities, including from similar periods, according to the law). The child raising indemnity is a compensation, paid from the state budget, for the parents who interrupt their professional careers and take parental leave to raise children under the age of 2 years or, if a disabled child, up to 3 years.

The amount of the child raising indemnity has been established to 85% of the average professional net income earned by the parent during the last 12 months from the last two years prior to the childbirth. The minimum amount of child raising indemnity increased during the reference period from 1,250 RON in 2021 to 1,496 RON in 2023 and the maximum amount of the indemnity has been established at 8,500 RON.

Persons who are entitled to receive child raising indemnity, but still work, earning professional incomes subject to income taxation, will receive a monthly incentive insertion, since June 2021, as follows:

- **in amount of 1,500 RON**, if the entitled persons obtain income subject to tax, at any time before the child reaches the age of 6 months, respectively 1 year in the case of the child with disabilities, granted until the child reaches the age of 2 years, respectively 3 years in the case of a child with disabilities;
- **in amount of 650 RON**, if the entitled persons obtain income subject to tax, at any time after the child reaches the age of 6 months, respectively 1 year in the case of the child with disabilities, granted until the child reaches the age of 2 years, respectively 3 years in the case of a child with a disability. If the entitled persons obtain taxable income, at any time after the child reaches the age of 2 years, respectively 3 years in the case of the child with disabilities, the incentive is granted until the child reaches the age of 3 years, respectively 4 years in the case of the child with disabilities. Also, the insertion incentive is granted in the amount of 650 RON to persons who earn income subject to tax during the period in which they are entitled to benefit from leave for the care of children with disabilities aged between 3 and 7 years.

**The right to the child raise indemnity and to the insertion incentive, optionally, is recognized for any of the parents and also for the person who adopted the child, who has a child entrusted for adoption, who has a child in placement or in emergency placement, excepting the foster care person, and also the guardian person.** The two benefits are granted for each birth or, as the case may be, for any of the situations aforementioned.

According to Romanian Labour Code (Law no. 53/2003) the employee has the right to ask for the suspension of individual labour contract in order to benefit from the parental leave. According to GEO no. 111/2010 the parental leave is approved by the employer at the request of the person who is entitled to such a support measure and the employer has the obligation to establish the length of the leave in agreement with the employee.

The legislation regarding parental leave stipulates also other measures of job protection for persons who are entitled to this leave.

**Monthly amounts:** minimum 1,250 RON in 2021/1,496 RON in 2023, maximum 8,500 RON, monthly insertion incentive 650 RON or 1,500 RON.

➤ **Benefits and aids for raising children with disability:**

**Type of program:** categorical benefit (children with disability)

**Eligibility conditions:** the benefits are granted to the persons/parents who take care of their children with disabilities and also to the persons with disabilities who take care of their children.

**Monthly amounts during the reference period 2021-2023:**

- **monthly benefit for raising the child with disability: the amount increased from 1,250 RON in 2021 to 1,496 RON in 2023, granted to the persons who take care of children with**

disabilities, aged between 3 and 7 years old, who benefited from the rights established by GEO no. 111/2010 and who choose to continue with the parental leave until the age of 7 years old of the child.

- **monthly aid for raising the child with disability: the amount increased from 563 RON in 2021 to 673 RON in 2023 (45% of the minimum amount of the child raising benefit - 1,250 RON/1,496 RON), granted to persons with high/pronounced disabilities, who take care of children with disabilities, aged between 0 and 3 years old, who don't earn any income besides the social assistance benefits for disabled persons.**
- **monthly aid for raising the child with disability: the amount increased from 438 RON in 2021 to 538 RON in 2023 (35% of the minimum amount of the child raising benefit - 1,250 RON/1,496 RON), granted to persons with high/pronounced disabilities, who take care of children with disabilities, aged between 3 and 7 years old, who don't earn any income besides the social assistance benefits for disabled persons.**
- **monthly aid for raising the child with disability: the amount increased from 438 RON in 2021 to 538 RON in 2023 (35% of the minimum amount of the child raising benefit - 1,250 RON/1,496 RON), granted to persons who take care of children with disabilities, aged between 0 and 3 years old, who do not fulfill the conditions established by GEO no. 111/2010 for parental leave and child raise benefit.**
- **monthly aid for raising the child with disability: the amount increased from 188 RON in 2021 to 224 RON in 2023 (15% of the minimum amount of the child raising benefit - 1,250 RON/1,496 RON), granted to persons who take care of children with disabilities, aged between 3 and 7 years old, who do not fulfill the conditions established by GEO no. 111/2010 for parental leave and child raise benefit.**
- **monthly aid for raising the child: the amount increased from 563 RON in 2021 to 673 RON in 2023 (45% of the minimum amount of the child raising benefit - 1,250 RON/1,496 RON), granted to persons with high/pronounced disabilities, who take care of children aged between 0 and 2 years old, who do not fulfill the conditions established by GEO no. 111/2010 for parental leave and child raise benefit.**
- **monthly aid for raising the child: the amount increased from 188 RON in 2021 to 244 RON in 2023 (15% of the minimum amount of the child raising benefit - 1,250 RON/1,496 RON), granted to persons with high/pronounced disabilities, who take care of children aged between 2 and 7 years old, who do not fulfill the conditions established by GEO no. 111/2010 for parental leave and child raise benefit.**

➤ **Accommodation leave and benefit:**

**Type of program:** categorical benefit (granted for accommodation with the adopted child);

**Eligibility conditions:** the adoptive person or, optionally, any of the spouses from the adoptive family, who earn incomes subject to income taxes, according to the provisions of the Law no. 227/2015 on Fiscal Code, as subsequently amended and supplemented, from wages and assimilated incomes, from self-employed activities, from copyrights and agricultural activities, can benefit from an accommodation leave of up to one year, which may include also the period of custody of the child for adoption, as well as a monthly allowance.

**Monthly amounts since 2021:** 85% of the average professional net income earned by the parent during the last 12 months from the last two years prior to the date of issuing the court decision of entrustment for adoption. The minimum amount of child raising indemnity is 1,700 RON and the maximum amount of the indemnity has been established to 8,500 RON.

➤ **Benefits for persons with disabilities:**

**Type of program:** categorical benefit;

**Eligibility conditions:** granted to the adults with disability regardless of their income, depending on the degree of disability, and to the family or legal representative of the child with high disability; high, pronounced and medium. Granted also to the family or the legal representative of the child with disability, regardless of their income.

**Monthly amounts during the reference period 2021 -2023:**

- **Monthly indemnity granted to persons with disabilities:**
  - the amount increased from 350 RON in 2021 to 368 RON in 2023, granted to the adult with high disability, regardless of their income;
  - the amount increased from 265 RON in 2021 to 279 RON in 2023, granted to the adult with pronounced disability, regardless of their income.
- **Monthly complementary budget for persons with disabilities:**
  - the amount increased from 150 RON in 2021 to 158 RON in 2023 for adults/ from 175 RON in 2021 to 316 RON in 2023 for children, granted to the adult with high disability and to the family or legal representative of the child with high disability, regardless of their income;
  - the amount increased from 110 RON in 2021 to 116 RON in 2023 for adults/ from 175 RON in 2021 to 184 RON in 2023 for children, granted to the adult with pronounced disability and to the family or legal representative of the child with pronounced disability, regardless of their income;
  - the amount increased from 60 RON in 2021 to 64 RON in 2023 for adults and children, granted to the adult with medium disability and to the family or legal representative of the child with medium disability, regardless of their income.

➤ **Family support allowance:**

**Type of program:** income tested benefit

**Eligibility conditions:** granted to families made of husband and wife who take care of their children, those being up to 18 years old, living and contributing to the household together and earning net monthly income per family member up to 530 RON in 2023. The right to family support allowance is established by taking into account the incomes and the assets of the family referred to in the *List of assets leading to the exclusion of the right*, Annex to the GD no. 50/2011. The program increases the children's education by introducing the school attendance conditionality for school children from beneficiary families; the amount of the allowance can be adjusted or diminished based on their school absences.

**Monthly amounts during the reference period 2021-2023:**

Levels of incomes during 2021-2023	Type of family	Number of children	Monthly amounts (RON) 2021/2023
monthly net income per family member up to 200 RON in 2021/239.2 RON in 2023	Two-parent family	with 1 child	82/99
		with 2 children	164/197
		with 3 children	246/295
		with 4 children or more	328/393
monthly net income per family member between 201 RON in 2021/ 239.2 RON in 2023 and 370 RON in 2021/633.9 RON in 2023		with 1 child	75/90
		with 2 children	158/180
		with 3 children	237/270

		with 4 children or more	300/359
monthly net income per family member up to 200 RON in 2021/239.2 RON in 2023	Single-parent family	with 1 child	107/128
		with 2 children	214/256
		with 3 children	321/384
		with 4 children or more	428/512
monthly net income per family member between 201 RON in 2021/239.2 RON in 2023 and 370 RON in 2021 /633.9 RON in 2023		with 1 child	102/122
		with 2 children	204/244
		with 3 children	306/366
		with 4 children or more	408/488

➤ **Child placement allowance:**

**Type of program:** categorical program;

**Eligibility conditions:** Granted from the state budget for each child or young person who benefits from the measure of placement to a person, family, guardian, foster parent or to residential care organized by an authorized private body. Thus, the families are encouraged to take in placement abandoned children, providing a family climate that is so necessary for growth and harmonious development. This allowance is paid until the age of 18 years old of the child and after 18, if the measure of placement is continued after this age.

**Monthly amounts during the reference period 2021-2023 increased from 600 RON in 2021 to 1,081 RON in 2023;** for children with disabilities this amount is increased by 50%, reaching 900 lei in 2021 and 1,622 RON in 2023.

➤ **Social aid:**

**Type of program:** income tested benefit

**Eligibility conditions:** granted to families or single persons with low or no income, in a state of social need, in order to overcome the situation he/she is in. It is established as the difference between the monthly net income of the eligible family or single person and the monthly level of the guaranteed minimum income provided by the law. The right to social aid is established by taking into account the incomes of the family and also the assets of the family referred to in the *List of assets leading to the exclusion of the right*, Annex of the GD no. 50/2011.

**Monthly amounts:** monthly levels of the guaranteed minimum income increased during the reference period 2021-2023:

- a. From 142 RON to 170 RON for single person;
- b. From 255 RON to 305 RON for family with 2 persons;
- c. From 357 RON to 427 RON for family with 3 persons;
- d. From 442 RON to 529 RON for family with 4 persons;
- e. From 527 RON to 631 RON for family with 5 persons;
- f. From 37 RON to 44 RON for each additional person exceeding the number of 5 who is a family member, according to law.

➤ **Measures for vulnerable energy consumer** were approved, according to Law no. 226/2021, providing social protection measures for vulnerable energy consumer. This new law

establishes the criteria for classifying families and single persons as vulnerable energy consumers and provides social protection measures for them in terms of access to energy resources to meet the essential needs of the household, in order to prevent and combat energy poverty. According to law, the social protection measures are financial and non-financial and will be financed from the state budget, from the local budgets or European funds. The financial measures consist of:

#### 1. House heating aid, focusing on the following aspects:

- establishing the maximum income threshold up to which a person or family can benefit from the heating aid, namely of **1,386 RON /person for the family, and for the single person of 2,053 RON;**
- establishing the amount of aid, namely by percentage compensation applied to a reference value differentiated according to the heating system. The percentage compensation is 100% for the beneficiaries with the lowest incomes and at least 10% for those whose incomes are at the maximum limit;
- the house heating aid is granted based on the net monthly income of the families or single persons:
- establishing the reference value to which the percentage compensation applies, for the four heating systems of the dwelling: centralized heating (the reference value is established monthly, within the average consumption and depending on the local price of the thermal energy billed to the population), heating with natural gas (250 RON/month), heating with electricity (500 RON/month) and heating with solid or liquid fuels (320 RON/month);
- ensuring the payment from the state budget, through the MoLSS budget, of the aids for house heating with wood for the beneficiaries of the social aid granted based on Law no. 416/2001, this being no longer in the direct task of the local public administration authority;

#### 2. Energy consumption aid to cover part of the household's energy consumption throughout the year. The average monthly net income up to which the energy supplement is granted is 1,386 RON/person in the case of the family and 2,053 RON in the case of the single person and is granted as follows:

- in the amount of 30 RON / month for electricity consumption;
- in the amount of 10 RON / month for natural gas consumption;
- in the amount of 10 RON / month for thermal energy consumption;
- in the amount of 20 RON / month for the consumption of solid and / or oil fuels;

As an exception, in the amount of 70 RON, if the only energy source used is electricity.

#### ➤ **Emergency aids:**

**Type of program:** income tested benefit;

**Eligibility conditions:** according to the national legislation, families and people in need, as a result of natural disasters, fires, accidents or any other special situations due to health or other causes that may lead to the risk of social exclusion, can benefit from emergency aids established by GD.

**Monthly amounts:** Emergency aids are granted within the limits of the amounts allocated to this purpose in the budget of MoLSS, in order to cover basic needs, especially maintaining housing and ensuring living conditions, access to medical services and/or recovery health or

work capacity, tackling the causes that can lead to school dropout, as well as any other causes that can induce to the risk of social exclusion.

#### **Other measures adopted during the reference period 2021-2023:**

- Raises in the prices on the electricity and gas markets, at the international level, led to the adoption of complementary measures to protect the population exposed to the difficulties of paying these costs. By *GEO no. 118/2021 on establishing a compensation scheme for the consumption of electricity and natural gas for the cold season 2021-2022* was regulated a compensation mechanism for the period 1 November 2021 - 31 March 2022, so that the prices of electricity and natural gas paid by the household consumer not to increase the level of energy poverty.
- Approval of the provisions of the *GEO no. 27/2022 on the measures applicable to final customers in the electricity and natural gas market*, establishing temporary measures, so that prices at electricity and natural gas paid by final customers should not increase the level of energy poverty. The normative act provides for the capping of electricity and natural gas prices for both domestic and non-domestic consumers, the new measures being applied between April 1<sup>st</sup>, 2022 and March 31, 2025.
- **Electronic social tickets:** *GEO no. 63/2022 on some temporary measures for providing material support to categories of persons at risk of material deprivation and/or risk of extreme poverty, partially sustained from non-reimbursable external funds, as well as some measures for its distribution.* The material support for the vulnerable groups aims to compensate a part of the food expenses for the daily living, by granting social vouchers on electronic support, for the purchase of food products and/or for the provision of hot meals. Material support is provided from the state budget and from non-reimbursable external funds under POIDS and POAD, in compliance with the applicable eligibility rules and in the limit of the amounts allocated for this purpose. The material support granted on the basis of the electronic ticket on electronic support has a **nominal value of 250 RON and is granted once every two months to the vulnerable categories of beneficiaries with incomes under a certain level provided by law.** The amounts granted can be used within 12 months of the date of each supply.
- **Benefits for persons with disabilities:** persons with disabilities have received a compensatory allowance in one lump sum, granted both for disabled child and also for adults with disabilities, first in January 2022, according to GEO no. 126/2021, and also in January 2023, according to GEO no. 168/2022.
- **Monthly support indemnity** in the amount of 600 RON, *granted according to art. 100<sup>1</sup> of Law no. 273/2004 regarding the adoption procedure, republished, with subsequent amendments and additions.* Is granted for each child who, on the date of the court decision approving the adoption, is in one of the following situations: a) is aged between 3 and 6 years old; b) has a mild or medium disability; c) is part of a group of 2 brothers who are adopted together; Also, the monthly support indemnity can be increased in certain situations defined by law.
- Approval of *Law no. 191/2022 for the amendment and completion of Law no. 272/2004 on the protection and promotion of children's rights.* According to art. 129 para. (4<sup>2</sup>), young people who have benefited from a special protection measure, in accordance with the law and have reached the age of 18, can opt accordingly for the continuation of the special protection measure or for receiving a **monthly indemnity in the amount of 2,523 RON (4,8 RSI).** Young people benefit from this allowance until they reach the age of 26, who prove that they are attending a form of education or have a job. This is sustained from the state

budget through the budget of MoLSS. At the same time, according to art. 128 paragraph (2<sup>1</sup>), the person or family who received in foster care or was designated or appointed the guardian of a child, under the law, during the period in which they ensure the growth and care of the child, benefits in addition to the monthly placement allowance from a **monthly complementary support allowance**, in the amount of 0,8 RSI (421 RON).

- **Energy card:** please see the information provided to question 7.
- Within the PNRR, Romania has assumed the implementation in the next period of the program on the minimum inclusion income which is described at question 4.

Payments made between 2021- 2022 for vulnerable single persons and families can be found in Annex 1.

The unemployment benefit is related to RSI and both the unemployment benefit and the RSI are provided by Law no. 76/2002 on unemployment insurance system and employment stimulation, with subsequent amendments and additions.

According to Law no. 225/2021, the RSI update with the average annual inflation rate of the previous year is carried out starting from 1<sup>st</sup> of March, 2022.

As a result, the amount of RSI increased from 500 RON, in 2021, to 525.5 RON, in March 2022, and to 598 RON, in March 2023, and, as a result, the amount of the unemployment also increased.

In accordance with Law no. 76/2002, as amended and supplemented, the amount of the unemployment allowance is an amount granted monthly and differentiated, depending on the contribution period, and is equal to:

- the RSI value in force on the date of its establishment, for persons with a contribution period of at least one year

We specify that, starting September 2022, through the amendments made to Law no. 76/2002, for this category of persons (with a contribution period of at least one year) the amount of the unemployment benefit was also modified, by increasing the percentage of the RSI value in which it is granted, respectively from 75% of value of RSI to the full value of RSI.

- the value of the RSI in force on the date the unemployment benefit is established, to which an amount is added - amount that is calculated by applying a differentiated percentage rate, depending on the contribution period, on the average income that is the basis of the calculation of the unemployment allowance for the last 12 months in which the contribution period was completed.

**6) Please provide information as to whether social security benefits and assistance are indexed to the cost of living, as well as information in particular on how income-replacing benefits such as pensions are indexed. Please indicate when benefits and assistance were last adjusted/indexed.**

There is no automatic indexation of old age pensions in payment, but periodic increase of amounts is subject to Government Decision.

The most recent increase of pensions took place in 2023 when a further 12,5 % increase of the pension point was legislated. Thus, starting with January 1<sup>st</sup>, 2023, the value of the pension point is RON 1,785 RON as stated by GEO no. 168/2022.

According to the same GEO no. 168/2022, starting with 2024 the value of the pension point will increase with the average annual inflation rate, to which is added at most 50% of the real increase of the average gross earnings achieved, definitive indicators, known in the current year for the calendar year previously communicated by NIS. The increase and the date of granting shall be established annually by the law of the state social insurance budget.

Also, the guaranteed minimum social pension was increased to 1,125 RON in 2023 (800 RON in 2021 and 1,000 in 2022 RON).

The Romanian Parliament adopted the Law no. 225/2021 for the amendment of Law no. 76/2002 on the unemployment insurance system and employment stimulation, which will change annually, starting with March of each year, the value of the reference social indicator (RSI) with the average annual inflation rate of the previous year. Increasing the value of RSI determined also changes in the amounts of social assistance benefits that are currently reported to RSI, both in 2022 and in 2023. The last increase of the RSI index was made on 1<sup>st</sup> of March 2023.

Also, please see the information provided to question 5.

**7) Please provide information as to whether any special measures have been adopted since late 2021 to ensure persons can meet their energy and food costs, such as price subsidies for energy, fuel, and basic food items.**

Through Emergency Ordinances, financial aid was granted to pensioners of the public pension system and beneficiaries of rights provided by special laws from the records of territorial pension houses, who are domiciled or who prove that they live in Romania, as follows:

a) In January 2022 a financial aid of 1,200 RON was granted to pensioners whose income is less than 1,600 RON.

b) In July 2022 a financial aid of 700 RON was granted to pensioners whose income is less than 2,000 RON.

c) In January and October 2023, an aid paid in two equal instalments, was granted in each of the two months to pensioners with incomes equal or below to 3,000 RON, according to the provisions of the GEO no. 168/2022 as follows:

- in the amount of 1,000 RON, if the level of monthly income is up to 1,500 RON;
- in the amount of 800 RON, if the level of monthly income is between 1,501 RON and 2,000 RON;
- in the amount of 600 RON, if the monthly income level is between 2,001 lei and 3,000 lei.

Regarding the protection of vulnerable families, the Government of Romania aimed to ensure support for individuals and families in difficulty, implementing measures that are targeted to these categories, by facilitating the access to adequate social assistance benefits and also to competitive social services that address the needs of families in difficulties in an integrated manner. Also, the Romanian Government has recently implemented social measures aimed at reducing the impact of rising inflation and price increases.



Regarding effective measures which were taken in the field of social assistance benefits in order to reduce the impact of the energy crisis, according to the Government Program for the period 2020-2024 have been proposed specific measures for the vulnerable customer in the energy system, by redefining the vulnerable consumer and also by ensuring the connection and access to electricity in vulnerable households.

Thus, recently, the **Law no. 226/2021 providing social protection measures for vulnerable energy consumer** was approved. This new law establishes the criteria for classifying families and single persons as vulnerable energy consumers and provides social protection measures for them in terms of access to energy resources to meet the essential needs of the household, in order to prevent and combat energy poverty and has provisions related to the timeframe for the application of financial measures, which is either during the cold season (for support for household heating) or all year round (for the energy supplement, support for buying energy efficient equipment necessary for lighting, cooling, heating and hot water, support for procurement of products and services in order to increase energy efficiency of buildings and for connecting to energy sources/grid). For non-financial measures (access and connection facilities for minimum energy needs, disconnection prohibition, counselling and providing transparent information to consumers) the measures are applied all year round.

Raises in prices on the electricity and gas markets, at the international level, led to the adoption of complementary measures to protect the population exposed to the difficulties of paying these costs.

***GEO no. 118/2021 on establishing a compensation scheme for the consumption of electricity and natural gas for the cold season 2021-2022*** regulated a compensation mechanism for the period 1 November 2021 - 31 March 2022, so that the prices of electricity and natural gas paid by the household consumer not to increase the level of energy poverty.

GEO no. 118/2021 stipulates a support scheme for payment of bills for the following categories of consumers: household consumers, small and medium-sized enterprises, liberal professions, microenterprises, natural authorized persons, individual and family enterprises, non-governmental organizations, public and private social services suppliers.

For the short-term measures (from 1 November 2021 to 31 March 2022), in relation to measures stipulated in Law 259/2021, the main provisions are:

- In the case of electricity, up to a maximum consumption limit of 1500kWh, in monthly instalments, a compensation is granted (0,291 RON/kWh) from the state budget.
- In the case of natural gas, up to a maximum consumption limit of 1000 cubic meters, in kWh equivalent, in monthly instalments, a compensation from the state budget of up to 33 % of the price of natural gas, provided in the supply contract of the consumer.

The reference price for electricity is of 0,68 RON/kWh and includes regulated tariffs for grid services, the contribution for high efficiency cogeneration, the value of green certificates, excise and VAT, applicable on the 30<sup>th</sup> of October, 2021 and for natural gas is 125 RON/MWh and does not include VAT, taxes and regulated tariffs, storage tariffs, applicable on the 30th October 2021. The final price to be paid by the final consumers cannot be less than the reference price.

The state is responsible for providing the sums for the compensation scheme granted to the suppliers. In the case of the capped values, the regulatory authority must assess the value of difference between the average price registered on electricity and gas during 1 April 2021 - 31 March 2022 and the capped values - for electricity and gas - calculate the value of the

compensation due for each supplier and inform the Ministry of Energy on those values. The payments for economic operators are made from the budget of the Ministry of Energy.

Further amendments were brought to GEO 118/2021 by GEO no. 3/2022. For example, GEO no. 3/2022 aims to provide a higher compensation for the household and non-household consumers for the consumption registered from the 1<sup>st</sup> of February 2022 to 31<sup>st</sup> of March 2022. For different levels of consumption, in the case of electricity, there was a unitary compensation granted of up to 0,291 RON/kWh and up to 40% for the natural gas component from the supply contract of the beneficiary consumer.

**GEO no. 27/2022 concerning the measures applicable to final consumers in the electricity and natural gas market for the period 1<sup>st</sup> of April, 2022 - 31<sup>st</sup> of March, 2023** completes the legislative framework regarding actions taken by Romania in order to mitigate the effects of the rising energy prices by establishing temporary measures, so that prices at electricity and natural gas paid by final customers should not increase the level of energy poverty. The normative act provides for the capping of electricity and natural gas prices for both domestic and non-domestic consumers, the new measures being applied between April 1<sup>st</sup>, 2022 and March 31, 2025. GEO no. 27/2022 was amended and completed several times (by GEO no. 42/2022, GEO no. 119/2022, GEO no. 153/2022, Law no. 357/2022, GEO no. 192/2022 and Law no. 206/2023).

For the consumption period between September 1<sup>st</sup>, 2022 and December 31<sup>st</sup>, 2022, the final billed price of electricity was capped, as follows:

a) maximum 0,68 RON/kWh, VAT included, in the case of household consumers whose average monthly consumption between September 1<sup>st</sup> - December 31<sup>st</sup> 2022 at the consumption places is less than or equal to 100 kWh. The final billed price shall be capped to maximum 0,68 RON/kWh, VAT included, for the consumption between January 1<sup>st</sup> 2023 - March 31<sup>st</sup> 2025 for the following categories: household consumers whose average monthly consumption is less or equal to 100 kWh, household consumers that use medical devices, household consumers with at least 3 children, monoparental families with at least one child.

b) maximum 0,8 RON/kWh, VAT included, in the case of household consumers whose average monthly consumption between September 1<sup>st</sup> 2022 - December 31<sup>st</sup> 2022 at the consumption places is between 100 kWh and 255 kWh;

c) maximum 0,8 RON/kWh, VAT included, for the consumption between January 1<sup>st</sup> 2023- March 31<sup>st</sup> 2025 for the consumption between 100 and 255 kWh. Monthly consumption between 255 - 300 kWh is billed at maximum 1,3 RON/kWh, VAT included.

d) maximum 1 RON/kWh, VAT included, for 85 % of the monthly consumption realized at the place of consumption in the case of non-household customers (SMEs, regional operators as defined in the community services of public utility, food industry, agriculture and fishery, local public authorities, national research and development institutes)

e) maximum 1 RON/kWh, VAT included, for all consumption of hospitals, education facilities, nurseries, social services providers

f) maximum 1 RON/kWh, VAT included, for 85% of the monthly consumption, at the consumption place, for public institutions.

For the period April 1<sup>st</sup> 2022- March 31<sup>st</sup> 2025, the final billed price of natural gas is capped at:

a) maximum 0,31 RON/kWh, VAT included, in the case of household customers;

b) maximum 0,37 RON/kWh, including VAT, in the case of non-household customers whose annual natural gas consumption in the previous year at the place of consumption is at most

50.000 MWh (including in the case of producers of heating). Starting with January 1<sup>st</sup> 2023, of the price of maximum 0,37 RON/kWh, VAT included, can also benefit non- household consumers from industrial parks, as well as those from the closed distribution systems.

By derogation from the provisions of Law no. 123/2012 on electricity and natural gas, with its subsequent amendments, for the period January 1<sup>st</sup>, 2023 - March 31<sup>st</sup>, 2025, the mechanism for the centralized purchase of electricity was established.

The mechanism for the centralized purchase of electricity does not apply to economic operators which are producers of electricity from renewable energy sources, for the technologies and installed power/capacity provided for in article 23 ^1 (2), to electricity production capacities put into operation after April 1<sup>st</sup>, 2022, as well as to producers with electricity and heat in cogeneration production capacities that deliver heat to SACET (centralized heating systems) and electricity producers from hard coal.

During the period of use of the centralized electricity purchase mechanism, the price paid by the sole purchaser to electricity producers, for the quantities of electricity sold by them through this mechanism, is 450 RON/MWh. The sole purchaser sells the electricity bought through the centralized purchase mechanism to the economic operators with the price of 450 RON/MWh.

**Energy card:** according to *GEO no. 166/2022 regarding some measures for granting support to vulnerable categories is granted in order to offset the price of energy, which is partially supported from non-reimbursable external funds.* The vulnerable categories listed below will receive cards for paying bills for electricity, natural gas, centralized heating system and wood (in the various forms in which wood is sold):

a) pensioners of the public pension system, pensioners registered at the sectoral pension houses and beneficiaries of rights granted on the basis of special laws, paid by territorial pension houses/sectoral pension houses, aged 60 or older and whose realized monthly income is less than or equal to 2,000 RON, as well as pensioners with a disability pension, regardless of age, and whose realized monthly income is less than or equal to 2,000 RON;

b) persons - children and adults - classified as severely or moderately disabled, whose own monthly income is less than or equal to 2,000 RON;

c) families receiving family support allowance, in accordance with Law no. 277/2010, republished, with subsequent amendments and completions;

d) families and single persons who have the right to social assistance, under the conditions of Law no. 416/2001 on the guaranteed minimum income, with subsequent amendments and completions.

The support has a total value of 1,400 RON and it was granted in two instalment of 700 RON each. The first instalment was granted in February 2023 for the first semester, and the second instalment was granted in September 2023 for the second semester.

**Electronic social tickets:** *GEO no. 63/2022 on some temporary measures for providing material support to categories of persons at risk of material deprivation and/or risk of extreme poverty, partially sustained from non-reimbursable external funds, as well as some measures for its distribution.* The material support for the vulnerable groups aims to compensate a part of the food expenses for the daily living, by granting social vouchers on electronic support, for the purchase of food products and/or for the provision of hot meals. Material support is provided from the state budget and from non-reimbursable external funds under POAD, in compliance with the applicable eligibility rules and in the limit of the amounts allocated for this purpose. The material support granted on the basis of the electronic ticket on electronic support has a

nominal value of 250 RON and is granted once every two months to the vulnerable categories of beneficiaries listed below, with incomes under a certain level provided by law:

a) persons who have reached the age of 65 or over, who benefit from the social allowance for pensioners or other rights through special laws, paid through territorial pension houses. If the final recipients benefit from several allowances or income from pensions in payment and their cumulative value exceeds the value of the social allowance for pensioners, they do not benefit from social vouchers on electronic support for food products and hot meals;

b) homeless persons/ families (including persons/ families who have been evacuated and families with children who do not have a stable residence, especially single-parent ones).

The amounts granted can be used within 12 months of the date of each supply.

The measures presented above represent only part of the measures implemented by the Government in order to reduce the energy poverty of the population. They were correlated with other measures taken by the Government for the social protection of vulnerable people, granted as social assistance benefits.

Thus, the mitigation of the effects of the energy crisis in Romania was based both on the existing social assistance benefits, which were indexed, based on the average inflation rate, the indicator known in the current year for the previous calendar year and which is the basis of the substantiation of the state budget, as well as on the implementation of specific temporary measures to mitigate the actual costs and to support the vulnerable categories during the whole period.

Regarding the food costs, please see the information provided under question no. 2.

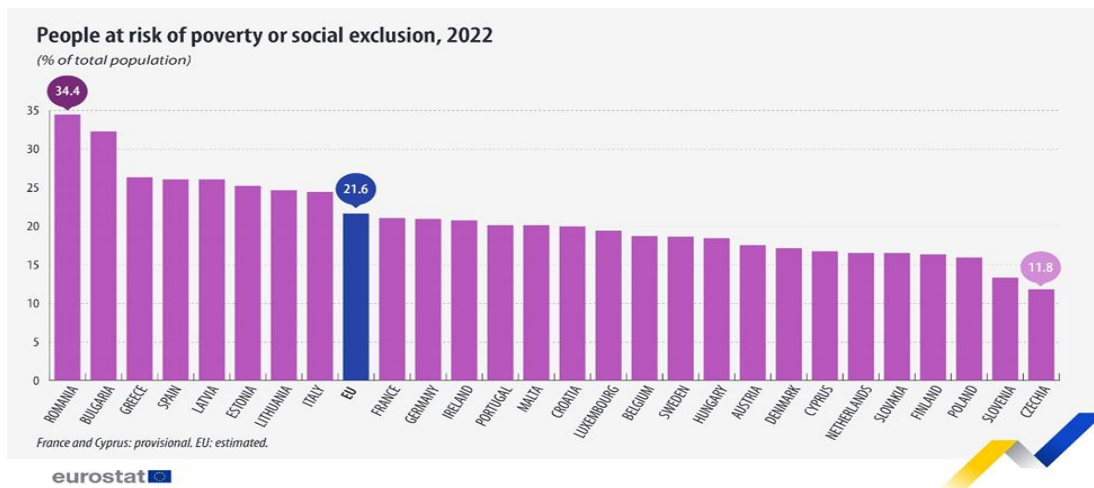
**8) Please provide up-to-date information on at-risk-of-poverty rates for the population as a whole, as well as for children, families identified as being at risk of poverty, persons with disabilities and older persons. Please show the trend over the last 5 years, as well as forecasts for upcoming years.**

According to the latest Eurostat report published on 14 June 2023 on the portal: <https://ec.europa.eu/eurostat/web/products-eurostat-news/w/ddn-20230614-1>, in 2022, at EU level, 95,3 million people representing 22% of the population were at risk of poverty or social exclusion, i.e. living in households facing at least one of the three risks of poverty and social exclusion: at risk of poverty, severe material and social risk, deprivation and/or living in a very low labour-intensive household; this figure remains relatively stable compared to 2021 (95,4 million, 22% of the population). According to the same report, among Member States, the highest share of people at risk of poverty and social exclusion was recorded in Romania (34,4%), Bulgaria (32,2%), Greece and Spain (both 26%), while the lowest shares were recorded in the Czech Republic (12%), Slovenia (13%) and Poland (16%), according to the graph in Figure 1.

Figure 1. People at risk of poverty or social exclusion, 2022

Source: Eurostat, Source dataset: ilc\_peps01n, according to

<https://ec.europa.eu/eurostat/web/products-eurostat-news/w/ddn-20230614-1>



In 2022, by GD no. 440/2022, the National Strategy on Social Inclusion and Poverty Reduction for the period 2022 - 2027 was approved.

The target group of the National Strategy on Inclusion and Poverty Reduction for 2022-2027 and the Action Plan for 2022-2027 is the group of people who are poor and at risk of social exclusion, including people who, due to unforeseen circumstances, face transitory situations of poverty or social exclusion. The ultimate aim is to reduce the share of the population at risk of poverty or social exclusion, and the specific objectives and measures target the following categories:

- People at risk of poverty/relative poverty (AROP) - incomes below 60% of median income per adult equivalent. Thus, the objective is to reduce the number of people in relative poverty by at least 7% by 2027 compared to the 2020 baseline. In parallel with reducing the number of people in relative poverty, the objective of the Strategy is to reduce the level of income inequality as measured by the Gini index.

- People in SMD: In 2018, about 3,2 million people were in SMD, but given the downward trend (in 2007 about 8 million people were in SMD, and in 2016 about 4,7 million) the objective is to reduce the number of people in SMD by at least 20% of the 2020 baseline by 2027.

- People living in LIH: In 2018 about 1,1 million people were living in LIH households, the target for 2027 is to reduce the number of LIH by at least 20% compared to the baseline of 2020.

- People who are considered as belonging to vulnerable groups: children and young people in preparation for reintegration into society after a period of special protection (including without parental support); older people (single or dependent and/or with long-term care needs); people with disabilities (children and adults); people with low educational attainment; people living in marginalized urban or rural areas; long-term unemployed; Roma people who are direct or indirect victims of discrimination on ethnic grounds; homeless people; persons deprived of their liberty; released persons undergoing social reintegration; vulnerable immigrants, including asylum seekers and foreigners who have acquired a form of international protection in Romania; victims of trafficking in human beings; drug users, etc. From this point of view, this Strategy is complementary to sectoral strategies.

- Persons who, due to unforeseen circumstances, face transitional situations of monetary poverty (mainly due to lack of income) or social exclusion.

For the at-risk-of-poverty rates provided by NIS, please see Annex no. 2.

**9) Please provide information on what measures are being taken to ensure a coordinated approach to combat poverty as required by Article 30 of the Charter, and to diminish reliance on last-resort relief, such as food banks and soup kitchens.**

The National Strategy on Social Inclusion and Poverty Reduction for the period 2022 - 2027 proposes as an overall objective a reduction, by 2027, of the number of people at risk of poverty or social exclusion by at least 7% compared to 2020.

Taking into account the analysis of the evolution of poverty and social exclusion in the European and national contexts, the main risks and vulnerabilities in this field, as well as the priorities and policies at both EU and national level, the Strategy also sets 4 strategic objectives:

- 1) Decent living for all, based on the principle "*No one is left behind*";
- 2) Social investment to promote cohesion;
- 3) Social protection throughout a person's life;
- 4) Improved administrative capacity for national policy coordination in line with European requirements.

These objectives are underpinned by an integrated and unified vision that includes tackling poverty throughout the life cycle, the need to break the intergenerational cycle of poverty, and a strong preventive dimension with the aim of increasing the capacities and opportunities for people and families to live decently and evolve.

MoLSS continues to run a number of projects with European funds to increase the social inclusion of people from vulnerable groups and the development of social services, respectively:

- Creation and implementation of integrated community services to reduce poverty and social exclusion in 139 vulnerable rural and micro-urban communities with above average and severe marginalization, a project developed in partnership with the Ministry of Health and the Ministry of Education; within this project, 114 social community services became operational and through training activities, 510 people from the social assistance, health and education sectors improved their qualification/certification level;
- Development of the social assistance system to combat poverty and social exclusion by strengthening the technical and administrative capacity of the public community social assistance network, recruiting and training a minimum of 350 social assistants and implementing a national training and certification programme for social assistance specialists and training a minimum of 39,000 people employed in the social assistance sector;
- The implementation of a HUB of services involving an integrated information system necessary for the integration, correlation and optimal management of all information in the specific fields of activity of MoLSS.

**10) Please provide information on steps taken to consult with, and ensure the participation of, the persons most affected by the cost of living crisis and/or organizations representing their interests in the process of designing of measures in response to the crisis.**

In the process of drafting the normative acts and designing the programs in the field of social assistance benefits, MoLSS applies the provisions of *Law no. 52/2003 on decision-making transparency in public administration, republished*, according to which the citizens are consulted on the legislative initiatives in the field.

The National Strategy on social inclusion and poverty reduction for the period 2021-2027 and the Action Plan on social inclusion and poverty reduction for the period 2021-2027 are two strategic documents developed by MoLSS with the expertise of the National School of Political and Administrative Studies, within a POCA project, benefiting from extensive public consultation.

In a first stage, an inter-ministerial working group was established within which, starting with October 2020, the drafts of the two documents mentioned above were analyzed, debated and agreed. Later, they were submitted for debate to civil society and the public authorities of the local administration, in the framework of 4 regional workshops organized in Bucharest, Craiova, Braşov and another one online.

Both during these meetings and later, observations and proposals were formulated which were analyzed and introduced by MoLSS in the final version of the draft GD approving the Strategy and Action Plan regarding social inclusion and poverty reduction for the period 2021-2027.

The draft GD followed the internal approval procedure of MoLSS and in parallel with the decision-making transparency procedure, 2 online public debates were organized.

Between December 2020 and January 2021, new contributions and proposals to modify or complete the Strategy with new measures were received, which were analyzed and integrated into the Action Plan in a consolidated version, in the decision-making transparency procedure, as a result of posting of the two documents on the website of MoLSS.

In April 2021 another online public debate of the draft GD was organized and was attended by more than 40 participants, representatives of public authorities of the local administration and the academic environment, as well as social service providers, cults and non-governmental organizations; the documents presented, the resulting materials, as well as data about the participants can be found on the MoLSS website.

The free and unrestricted access of the person to any information of public interest is one of the fundamental principles of the relations between persons and public authorities, being regulated by the provisions of *Law no. 544/2001 on free access to information of public interest and the Methodological Norms for application*.

The information and guidance of vulnerable persons, who are in difficulty, regarding their rights and obligations is carried out based on the provisions of **GO no. 27/2000 regarding the regulation of the activity of solving petitions**. Beneficiary counseling and guidance is provided both nationally (through MoLSS and NAPSI), and at the county level (at the level of County Agencies for Payments and Social Inspection) and locally (through the Public Social Assistance Services).

MoLSS and NAPSI provide beneficiaries with e-mail addresses and telephone numbers where beneficiaries can ask questions and receive free assistance (information, clarifications, answers) about the legislation in force and the ongoing social assistance programs.

NAPSI subordinates the County Agencies for Payments and Social Inspection, respectively of the Bucharest Municipality, ensuring the coordination, guidance and control of their activity. At the county level, the documentation related to the establishment of the rights to the social assistance benefits is also processed.

Also, the information of the beneficiaries can be made at local level, through the Public Social Assistance Services, at this level being ensured and organized the activity of receiving the requests / requests for social assistance benefits.

## Payments made between 2021- 2022 for vulnerable single persons and families

Social Assistance Benefits	2021		2022	
	Monthly average number of beneficiaries	Payments (lei)	Monthly average number of beneficiaries	Payments (lei)
Social aid	165.205	517.523.734	156.481	500.779.861
Family support allowance	146.125	302.767.303	129.440	278.806.667
House heating aids	473.325	531.012.125	882.745	858.592.603
Energy suppliment	407.647	8.056.599	938.610	167.452.576
State allowance for children	3.591.962	10.514.726.884	3.597.888	12.519.306.366
Child raising benefit	176.174	5.282.836.365	173.568	5.682.222.554
Benefits and aids for raising the children with disability	11.486	126.969.533	11.435	136.633.278
Incentive insertion	82.686	658.992.372	86.520	797.058.50
Accomodation leave and benefit	496	12.716.988	655	24.713.112
Child placement allowance	36.627	295.647.196	39.028	367.793.482
Monthly indemnity for persons with disabilities	681.758	2.470.442.444	683.194	2.791.823.512
Monthly complementary budget for adults with disabilities	752.228	1.093.067.552	752.675	1.151.539.790
Monthly complementary budget for children with disabilities	73.152	194.938.136	73.874	224.055.885
Indemnity for the companion of visually impaired person	36.461	607.304.469	34.889	635.125.469
Emergency aids	7.779	23.466.295	1.482	7.330.219



## At-risk-of-poverty rate by sex and selected age groups

Annex 2

	2018	2019	2020	2021	2022
<b>At-risk-of-poverty rate (%)</b>					
<b>At risk of poverty rate (cut-off point: 60% of median equivalised income after social transfers)</b>	%	%	%	%	%
<b>Total</b>	<b>23,5</b>	<b>23,8</b>	<b>23,4</b>	<b>22,5</b>	<b>21,2</b>
Males	22,5	22,7	22,1	21,8	20,8
Females	24,5	24,9	24,6	23,3	21,7
Age class					
Less than 18 years	32,0	30,8	30,1	29,8	27,0
65 years and over	22,8	25,1	24,5	21,9	19,5
75 years and over	29,3	33,3	31,8	29,0	24,6

Data source: European Union Statistics on Income and Living Conditions (EU-SILC), Eurostat

## LIST OF ACRONYMS

GD - Government Decision

GEO - Government Emergency Ordinance

LIH - Low labour intensity households

MII - Minimum Income programme

MoLSS - Ministry of Labour and Social Solidarity

NASPI - National Agency for Payments and Social Inspection

NIS - National Institute of Statistics

PNRR - National Recovery and Resilience Plan

POAD - Operational Program Aid to Disadvantaged Persons 2014-2020

POCU - Human Capital Operational Program 2014-2020

POIDS - Operational Programme Social Inclusion and Dignity

RON - Romanian Lei

RSI - Reference Social Indicator

SMD - Severe material deprivation