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# Example of SPL Country Engagement: Romania: Technical Assistance on Reducing Poverty and Social Exclusion 2014-2016

Emil Daniel Tesliuc, Sr. Economist, World Bank

Vlad Grigoras, Social Protection Specialist, World Bank

# Outline

1. Context
2. Process
3. Outputs: Key messages
4. Use of the outputs produced by the World Bank

# 1. Context

- World Bank: Strategic partner of the Government of Romania on social protection issues since 1992:
  - Set-up of the Public Employment, Pensions and Social Assistance Agencies (investment lending)
  - Design of selected SP policies (DPLs, investment lending, TA)
  - Implementation of SP Policies (Results-based investment operation to modernize the social assistance system)
- Romania: new EU member (2007), one of the poorest
- Net recipient of EU Structural Funds; funds aimed to reduce disparities and poverty
- Ex-ante conditionality to access EU funds, 20% on reducing poverty and social inclusion
- Romania's experience in developing and implementing such strategies

## For Your Information: Romania's experience in developing and implementing such strategies

- ❑ Establishment in 1998 of the Poverty Prevention and Fighting Committee under the patronage of the President of Romania
- ❑ Establishment of the Anti-Poverty Committee for the Promotion of Social Inclusion (CASPIIS) (operating between 2001-2006)
- ❑ Preparation of the Joint Social Inclusion Memorandum by the Romanian Government and the European Commission in 2005
- ❑ Creation of a national mechanism for the promotion of social inclusion by adopting Government Decision no. 1217/2006
- ❑ Approval of the Strategy on the reform in the social assistance field in 2011.
- ❑ Gap between 2011 - 2015

## 2. Process (1)

- WB requested to provide inputs for the development of a Strategy for social inclusion and poverty reduction (2015-2020) and an Action plan:
  - EU ex-ante conditionality criteria: spelled out in a document of over 100 pages long
  - Thematic areas to be covered: labor market, social protection, education, health, housing, discrimination, regional and rural poverty
  - Tasks to be undertaken: Diagnostic, analysis, recommendations, policy solutions
  - Cover data gaps (next slides)
  - Outputs requested: draft Strategic Vision, Strategy, draft Action plan 2015-2020 (extremely detailed)
  - WB suggestion: Complement this by Implementation plans for 8-10 poverty reduction flagship initiatives for 2015-2018
- Client demands: Produce it fast and of high quality
- Outputs contracted:
  - Strategic vision, Strategy, Background study, 9 implementation plans
  - 2 years

# Process (2)

- WB team prepared detailed implementation plan for this task
- Used about 50 experts on substantive issues, mostly local
- Undertook significant work on:
  - Qualitative data collection
  - Quantitative data collection
  - Analytical work

## For your information: Research activities prepared in view of substantiating the Social Inclusion Strategy

|   | Feb-Apr | May-Jul | Aug-Oct | Nov-Feb |
|---|---------|---------|---------|---------|
| <b>1. Documentation</b>   |         |         |         |         |
| <b>2. Research on qualitative data</b>                          |         |         |         |         |
| Case studies in Arad and Botosani (>150 interviews)             |         |         |         |         |
| > 20 interviews with representatives of the central authorities |         |         |         |         |
| Interviews with the beneficiaries/eligible persons FSA/GMI      |         |         |         |         |
| Other interviews  |         |         |         |         |
| Focus groups with social workers                                |         |         |         |         |
| <b>3. Quantitative research</b>                                 |         |         |         |         |
| Consolidated data base of physicians, pharmacists, CN/SMs       |         |         |         |         |
| Census of urban mayor's offices on housing (93%)                |         |         |         |         |
| Census of social workers in SPASes (>3100 questionnaires)       |         |         |         |         |
| Administrative data base of services for the elderly            |         |         |         |         |
| Administrative data base of services for disabled persons       |         |         |         |         |
| Data base of child protection services                          |         |         |         |         |

## For your information: Research activities prepared in view of substantiating the Social Inclusion Strategy

|  | Feb-Apr | May-Jul | Aug-Oct | Nov-Feb |
|--|---------|---------|---------|---------|
| <b>3. Quantitative research (continued)</b>  |         |         |         |         |
| Survey on Services for elderly people (~300 questionnaires)  |         |         |         |         |
| Questionnaire for School Inspectorates on the education needs and services at school level                                   |         |         |         |         |
| Data base of the local school units  |         |         |         |         |
| Identification of source communities for children included in the child protection services system (rural/urban environment) |         |         |         |         |
| Selection of representative sample of children included in the child protection services system (>9000 cases)                |         |         |         |         |
| Research carried out together with UNICEF on children included in the system and their source communities                    |         |         |         |         |



# For your information: Research activities prepared in view of substantiating the Social Inclusion Strategy

|   | Feb-Apr | May-Jul | Aug-Oct | Nov+ |
|---|---------|---------|---------|------|
| <b>4. Analysis of quantitative data</b>   |         |         |         |      |
| Poverty and material deprivation + vulnerable groups 2008/2012 (EU-SILC)  |         |         |         |      |
| Prognosis of poverty evolution 2013/2020 (EU-SILC)  |         |         |         |      |
| Simulation of measure impact on poverty evolution 2013/2020 (EU-SILC)   |         |         |         |      |
| NEETD segmentation for the target group (EU-SILC)   |         |         |         |      |
| Profiling of vulnerable groups - minor mothers, children with parents that are abroad, people with disabilities, lone elderly, people in the rural environment, children not going to school, homeless persons (Census) |         |         |         |      |
| Diagnostic of housing issues (census)   |         |         |         |      |
| Analysis of small urban towns/recent (administrative data + census)   |         |         |         |      |
| Identification of poor villages (census)  |         |         |         |      |
| Identification of marginalized rural communities (census)   |         |         |         |      |

## For your information: Research activities prepared in view of substantiating the Social Inclusion Strategy

|   | Feb-Apr | May-Jul | Aug-Oct | Nov+ |
|---|---------|---------|---------|------|
| <b>4. Analysis of quantitative data</b>   |         |         |         |      |
| Overlapping of Roma communities and urban and rural marginalized communities                            |         |         |         |      |
| Analysis of social participation types and conditions   |         |         |         |      |
| <b>5. Other analyses</b>  |         |         |         |      |
| Functional analysis of the role of NAE  |         |         |         |      |
| Analysis of microcredits and protected workshops for people with disabilities                           |         |         |         |      |
| Special education of people with disabilities   |         |         |         |      |
| Nutrition programmes in schools   |         |         |         |      |
| School curricula based on asset testing (writing materials, high school money, social scholarships etc) |         |         |         |      |
| European funds for small urban towns  |         |         |         |      |

# 3. Strategy objective (I):

## Reducing relative (monetary) poverty

Citizens should have equal opportunities to participate in the society, should be appreciated and valued, should live a dignified life, **their elementary needs should be satisfied** and differences should be observed.

- The target adopted at EU-28 level is to reduce the number of people risking poverty or social exclusion between 2008-2020 by 20 million people.
- The Romanian Government is committed to contribute to this target by reducing the population at risk of relative poverty following social transfers, by 580,000 people, from 4.99 million in 2008 to 4.41 million in 2020.
- Up to 2013, approximately a third of this target was met.

**Relative poverty ratio, 2008-2013**

|                            | 2008  | 2009  | 2010  | 2011  | 2012  | 2013  |
|----------------------------|-------|-------|-------|-------|-------|-------|
| Relative poverty ratio (%) | 23.4  | 22.4  | 21.1  | 22.2  | 22.6  | 22.4  |
| No. of poor people         | 4.988 | 4.745 | 4.522 | 4.748 | 4.824 | 4.777 |

Source: EU-SILC, 2008-2013. Eurostat

# 3. Strategy Objective (II): reducing social exclusion

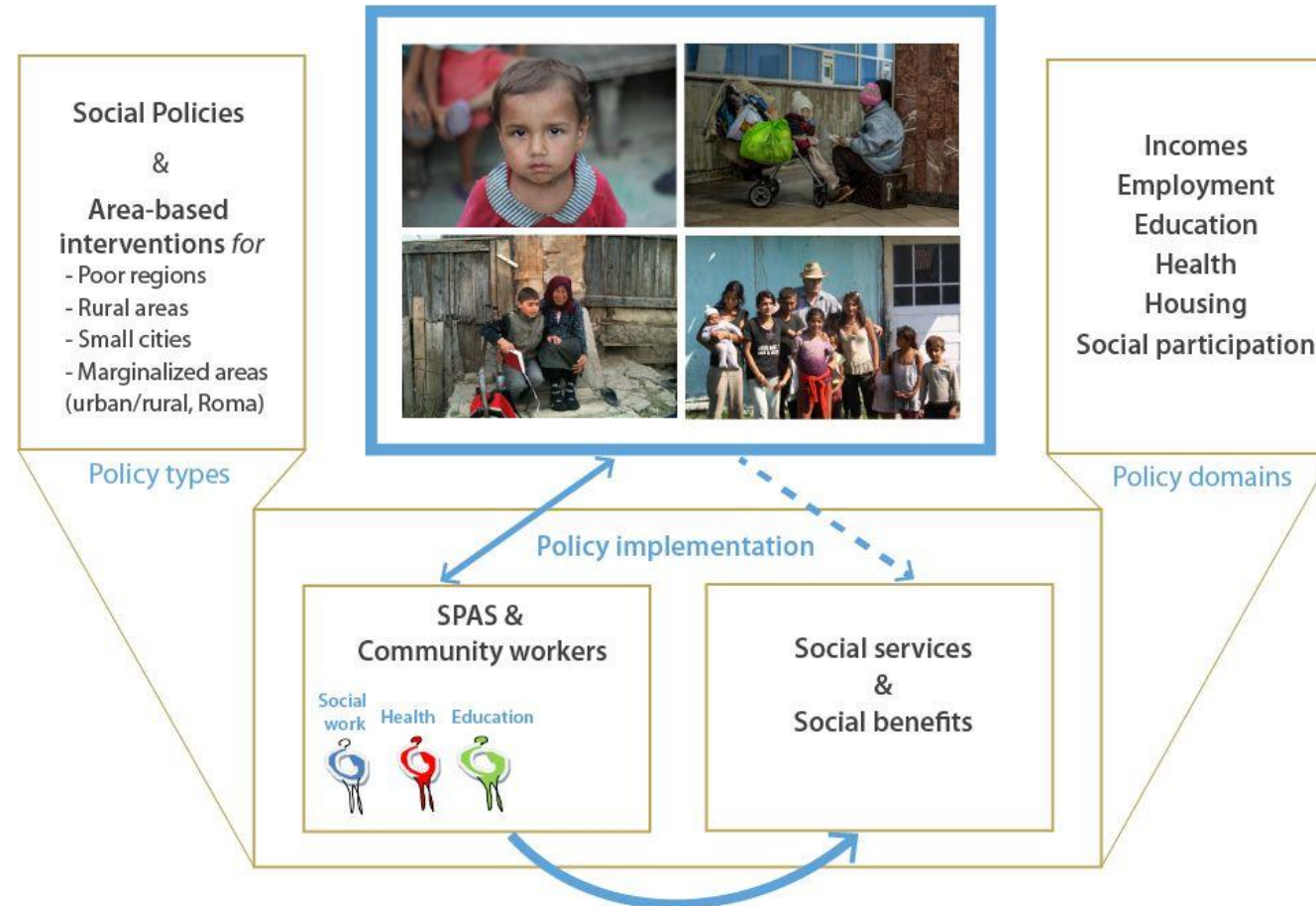
Citizens should have equal opportunities to participate in the society, should be appreciated and valued, should live a dignified life and their elementary needs should be satisfied and differences should be observed.

Fighting poverty and social exclusion require an approach of the needs of the respective people for their entire life. For *children*, the objective of this strategy is to give them an opportunity to develop, irrespective of their social origin, by providing the necessary conditions for the development of their skills and acquiring the necessary knowledge to fulfill their individual potential. For the *adults fit for the labor market*, the objective is to provide them with an opportunity to fully participate in the economic, social and cultural life of Romania. The objective envisaged for *those who exceeded their active age* is that elderly people should be appreciated and respected, should remain independent and should be able to participate in all aspects of life as active citizens, as well as to enjoy a high quality of life in a safe community.

Vulnerable groups face particular problems for which generic policies may not work, they often need tailored and integrated services in order to increase their social and economic participation

1. Poor people
2. Children and youths deprived of parental care and support
3. Lone or dependent elderly
4. Roma
5. People with disabilities
6. Other vulnerable groups
7. People living in marginalized communities

# Policy Response to Reduce Poverty and Promote Social Inclusion



# 3. Key messages of the draft strategy

- Without major changes of the sectoral policies and a better coordination of these policies the poverty reduction target will not be reached
- The key policies for reaching this target are the employment, social assistance, social services, regional and rural development policies
- 9 priority initiatives have been identified, that can substantially contribute to the reduction of poverty and social exclusion; this is not an exhaustive list;
- Increasing the capacity to diminish poverty also requires the development of a series of instruments for the identification of the poor:
  - One programme based on testing the means used to identify the poor population
  - A list of marginalized communities with a high concentration of extreme and persistent poverty
- With the help of these instruments used to identify the problem, the financial and logistic effort required is downsized to reasonable/feasible dimensions.

### 3. Priority interventions on the medium term (2015 –2018)

1. Implement activation programmes aimed at increasing the employment level of vulnerable groups.
2. Consolidate means-tested programs into a flagship anti-poverty program with a benefit formula that stimulates work.
3. Develop the integrated services provided at the community level.
4. Improve the social services targeting vulnerable groups.
5. Create an instrument for the identification of poor rural areas and of marginalized (urban and rural) communities.
6. Establish an e-social assistance system.
7. Develop a modern payment system
8. Strengthen the coordination, monitoring and evaluation mechanisms.

# 4. Use of the outputs of the TA by the Client

- Draft Strategy & Action plan:
  - Delivered March 2015;
  - Revised and adopted by Government on May 2015
  - Background study
- Draft Implementation plans:
  - Delivered Nov 2015
  - Now: under different stages of review and implementation
- Flagship initiative 2: Consolidation of means-tested programs → draft law adopted by Government and sent to Parliament for enactment
- WB requested to provide additional TA with to :
  - Reform old-style orphanages and transfer abandoned children to family-homes, foster or former family
  - Pilot the model of integrated social services at community level
- New Government Nov 2015, emphasis on poverty reduction initiatives
  - Expanded list of interventions, focused on short-term measures financed from EU Funds



# Optional downloads:

- The National Strategy on Social Inclusion and Poverty Reduction 2015-2020:  
<http://www.mmuncii.ro/j33/index.php/ro/2014-domenii/familie/politici-familiale-incluziune-si-asistenta-sociala/3916>
- Background study:  
<https://openknowledge.worldbank.org/handle/10986/23830>  
or  
<http://www.mmuncii.ro/j33/index.php/ro/2014-domenii/familie/politici-familiale-incluziune-si-asistenta-sociala/3916>
- The 2016 Anti-poverty package:  
<http://gov.ro/ro/obiective/strategii-politici-programe/pachetul-national-anti-saracie&page=1>