



**GOVERNMENT OF ROMANIA
MINISTRY OF EUROPEAN AFFAIRS**

**NATIONAL REFORM PROGRAMME
2011 – 2013**

IMPLEMENTATION REPORT

MARCH 15, 2012

Table of contents

Table of contents	2
ABBREVIATIONS	3
INTRODUCTION	4
1. RECENT MACROECONOMIC DEVELOPMENTS	5
2. PROGRESS TOWARDS THE NATIONAL TARGETS	7
2.1 Employment	7
2.2 Research, Development & Innovation (RDI)	10
2.3 Climate change and energy	13
2.3.1 <i>Tackling Climate Change and Promoting Sustainable Development</i>	13
2.3.2 <i>Renewable Energy Sources</i>	15
2.3.3 <i>Energy efficiency</i>	17
2.4 Education	19
2.4.1 <i>The impact of the Law on National Education</i>	19
2.4.2 <i>Reducing early school leaving rate</i>	20
2.4.3 <i>Increasing the share of 20-34 aged people with tertiary education</i>	23
2.5 Social inclusion / poverty reduction	25
CONCLUSIONS	30
Table 1: National targets for Europe 2020 as of March 15, 2012	32

ABBREVIATIONS

ACBS	Agency on Loans and Scholarships
ANC	National Qualifications Authority
ANCS	National Authority for Scientific Research
ARACIS	Romanian Agency for Quality Assurance in Higher Education
ANRE	National Energy Regulatory Authority
BNR	National Bank of Romania
CNP	National Commission for Forecast
DFCPIP	Directorate on Lifelong Learning for Pre-university Education Staff
EARDF	European Agricultural Rural Development Fund
EC	European Communities
EEA	European Economic Area
EU	European Union
ESF	European Social Fund
GHG	Green House Gases
ICEMENERG	Energy research and modernizing institute
INEGES	National Inventory of Greenhouse Gas Emissions
INS	National Institute of Statistics
LRTAP	Long-range Trans boundary Air Pollution
LULUCF	Land-use, land-use change and forestry
MAEur	Ministry of European Affairs
MADR	Ministry of Agriculture and Rural Development
MAI	Ministry of Administration and Interior
MECTS	Ministry of Education, Research, Youth and Sports
MECMA	Ministry of Economy, Trade and Business Environment
MDRT	Ministry of Regional Development and Tourism
MFP	Ministry of Public Finance
MMFPS	Ministry of Labour, Family and Social Protection
MMP	Ministry of Environment and Forests
MS	Ministry of Health
PNDR	National Rural Development Programme
ROP	Regional Operational Programme
SME	Small and Medium Sized Enterprises
SMURD	Emergency Mobile Service for Resuscitation and Disentanglement
SOP HRD	Sectoral Operational Programme <i>Human Resources Development</i>
SOP IEC	Sectoral Operational Programme <i>Increase of Economic Competitiveness</i>

INTRODUCTION

Ministry of European Affairs (MAEur) monitors the implementation of National Reform Programme 2011-2013 (NRP) at national level and coordinates the elaboration of an *Action Plan for implementing the NRP* on annual basis. This *Action Plan* contains concrete actions on short term, emerging from the following strategic documents issued at national and EU level: NRP, Commission's *Annual Growth Survey*, *Country Specific Recommendations* adopted by EU Council, as well as other European Commission' specific recommendations emerging from the seven *Flagship Initiatives*, which are constituent part of Europe 2020 strategy and the *Integrated Guidelines*.

The *Action Plan* is monitored by MAEur, which elaborates quarterly progress reports on the basis of reports delivered by the institutions in charge with *Action Plan* implementation at sectoral level.

The current progress report has been elaborated based on contributions from all ministries, institutions and bodies constituents of the *Working Group for Europe 2020 Strategy*, as stipulated in *NRP Monitoring Methodology*, issued by MAEur and approved by the government on September 14, 2011. The narrative report reflects the progress recorded within the first year of NRP implementation, namely from April 2011 to March 2012.

The sections describing the progress recorded on the attainment of the national targets on Europe 2020 strategy contain, on each national target, an introductory textbox with updated data on the main indicator's value for the measurement of the sectoral objective.

The final version of this Report on NRP implementation – March 15, 2012 was validated by the *High Level Working Group for Europe 2020 Strategy* in its meeting on March 27, 2012 and approved in the government's meeting on April 3, 2012.

1. RECENT MACROECONOMIC DEVELOPMENTS

The economic situation within the European Union was characterised by a further deterioration by late 2011, yet the situation is expected to improve. The gross domestic product (GDP) for EU-27 increased by 1.5% and by 1.4% in the euro area, in principle according to the autumn forecast 2011. However the loss of speed in the EU economy in the late 2011 proved to be sharper than anticipated in the autumn forecast. The sharp drop of confidence, the sovereign debt crisis and a weaker global economy has had an impact on economic growth.

At the beginning of 2012, financial markets have showed signs of stabilisation. In time, although EU Member States have adopted additional measures in order to improve fiscal consolidation, the continued sovereign debt crisis in some Member States within the euro area; this may affect short-term growth prospects. The latest indicators showing the level of confidence have stabilized or have even entered an upward trend. For early 2012, some contraction is expected in both EU and euro area, followed by a modest recovery in the second half of the year, which is typical for the aftermath of the financial crisis period.

As for the 2012, the growth forecast for EU-27 was revised downwards from 0.6% in the autumn forecast 2011 to 0% in the spring 2012 interim forecast.

In Romania, GDP increased in 2011, in real terms, by 2.5% as compared to 2010.

Quarterly evolution shows that, after an increase of 1.7% of GDP in the QI as compared to the same quarter of 2010, a slower growth annual rate of 1.4% was registered in the QII. In QIII, Romanian economy grew by 4.4%, this representing the strongest quarterly economic advance from the beginning of 2010 up to present. Growth was mainly driven by a good agricultural harvest, but also by industry production growth and by the return of the construction sector on a positive track. In QIV and despite a deteriorated global environment, Romania's economy grew by 1.9%.

Domestic demand grew by 3.1% in 2011, as compared to 2010 amid a 1.3% growth of private consumption and a 6.3% increase of gross fixed capital formation. Government/public consumption (including its individual and collective consumption) decreased by 3.5%. The exports of goods and services rose by 9.9%, while imports increased by 10.5%, thus the contribution of net exports to real GDP growth turned to be negative, namely of -0.8%.

On the supply side, it is worth mentioning that the gross added value for agriculture grew remarkably by 11.3%, while the one for industry increased by 5%. Construction output increased by 2.7%, while the services sector decreased by 0.1%; yet, within the services sector, the gross added value of some branches like "Entertainment, cultural and leisure activities; domestic products repairs and other services" and "trade; transport and storage; hotels and restaurants" grew by 4.8%, respectively by 1.2%.

In 2011, the value of the exports of goods grew by 20.5%, as compared to 2010, which represent an additional amount of almost 7.7 billion Euro. The average monthly export value was 3.8 billion Euros, as compared to 3.1 billion Euro in the previous year. The structure of exports has improved, which is reflected in the fact that 80.9% of Romanian exports consisted in manufactured goods. Also, the goods of machines and transport equipments' manufacturing industry represented 41.2% of the total exports. The imports of goods increased by 16.7%, imports of goods for machines and transport equipments' manufacturing industry accounted for 34.6% of the total imports. Following these developments, the FOB-CIF trade deficit increased by 2%, as compared to 2010.

The balance of payments' current account registered an increasing deficit by 3% as compared to 2010, representing 4.2% of GDP. The deficit was the result of the deficits in the balance of goods and of net incomes from abroad, the excess balance of services and of net transfers from abroad compensating a part of the current account deficit.

In December 2011, consumer prices increased by 3.14% as compared to December 2010, by 4.82 pps lower than the increase from the corresponding period from the previous year. For the whole year, the average inflation was 5.79%.

2. PROGRESS TOWARDS THE NATIONAL TARGETS

2.1 Employment

Evolution of the target indicator

Despite economic difficulties within the past two years, the employment rate recorded a moderate decrease, of 0.2 pps in 2010, and about 0.4 pps in 2011, as compared to the level of 63.5% reached in 2009.

In the QIV/2011, according to the most recent data issued by INS, the employment rate for the age group 20-64 was 62.3%, registering a gap of 7.7 pps, as compared to the national target of 70%. The youth employment rate (age group 15-24) reached only 23.1%.

The youth (people aged 15-24) unemployment rate was 25.4%.

In order to **improve the labour market functioning**, due to amendments performed to *the Law No 53/2003 on the Labour Code*, drafting of the subsequent legislation concerning the General Electronic Register of the Employees and the temporary agency work authorization was required.

To this end, the Romanian Government approved the *GD No 500/2011 on General Electronic Register of the Employees*, which lead to a complete database reflecting as accurately as possible the employees' activity. The intended impact was to reduce the undeclared work, and to integrate as many employees as possible in the formal economy. On January 4, 2012, it was also published *GD No 1256/2011 on operating conditions and the procedure for authorizing the temporary agency work* reviewing the provisions related to the temporary agency work institution, according to the *Directive 2008/104/EC on temporary agency work*.

In order to **tackle the undeclared work**, the *Law No 52/2011 on activities provided occasionally by the daily labourers* and the law enforcement norms were adopted. Thus, the employment procedures for daily labourers were simplified in order to provide the subsistence income for these persons, and to avoid the tax evasion.

According to the commitments undertaken by Romania under the *Stand-by arrangement concluded with IMF*, the *Law No 62/2011 on social dialogue* was adopted in order to implement the **reform of legislation on the social dialogue**. The law got into practice the sectoral labour agreements and eliminated the collective labour agreements. Thus, the wage setting up reflects better the evolution of the sectoral labour productivity, cutting back the effects generated by the former collective agreement at national level that could bring about some economical imbalances, because of the financial commitments exceeding the budgetary resources of the companies.

In order to develop the **complementary private pension systems**, the Romanian Government aimed at regulating the organization of the *Guarantee Fund of the rights in the private pensions system*, and the *organization of private pension payment system*, and the occupational pension funds. To this effect, the *Law No 187/2011 on the establishment, organization and functioning of the Guarantee Fund of the rights in the private pensions system* was adopted, regulating the establishment, legal statute, the terms of Fund use, and the level and frequency of contributions fed into it.

Regarding the *Law on management and operation of private pension payments system*, observations and completions were drafted, subsequently analyzed and partially taken over into the law. By the time

of this report, the draft law is again subject to the inter-institutional approval procedure, following the changes in the Government structure.

The draft *Law on occupational pensions* was subject to the inter-institutional approval procedure, and it was discussed in the Working Group in order to analyze the comments submitted by the institutions.

Given the time length for the adoption of the draft *Law on organization and operation of private pension payments system*, and the draft *Law on occupational pensions*, MMFPS postponed the deadlines for the adoption in the Government meetings of the two pieces of legislation. For the draft *Law on organization and operation of private pension payments system* the proposed deadline is Q1/2012 and for the draft *Law on occupational pensions* is QIV/2012.

In order to **facilitate the transition from unemployment or inactivity to employment**, MMFPS drafted the modification and completion of the *Law No 76/2002 on unemployment insurance system and the employment stimulation*, aiming at simplifying the conditions on granting the job subsidies. The modifications foreseen: (i) putting into practice the new measures to foster employment, in order to balance the labour demand and supply and to reduce the sectoral labour deficits; (ii) improving the current employment measures and making them more attractive to the beneficiaries, and facilitating the transition from unemployment to employment; (iii) simplifying the implementation of the employment measures and adapting them to the present social and economical conditions and to the labour market needs.

During January 1st, 2011 – January 31st, 2012, 981,686 people benefited by the active employment measures, out of which 386,130 people were employed, as a result of the implementation of the ***Employment programme*** funded by the Unemployment Insurance Budget (UIB). 29,814 people belonging to the disadvantaged groups were employed by granting subsidies to companies, according to the *Law No 76/2002*, and other 1,915 people were employed based on the provisions of the *Law No 116/2002 on prevention and mitigation the social exclusion*.

By February 24, 2012, complementary to the programmes financed by UIB, 417¹ projects were financed through the European Social Fund (ESF), aiming at fostering employment of the long-term unemployed². The payments amounted 490.47 million Lei, accounting for roughly 39.54% of the total value of contracts. 33,796 people attended the **active employment measures**, out of which 16,022 were women and 8,784 young people. 25% of the unemployed were certified as a result of their participation in the active employment measures (31% for women and 41% for youth).

In order to strengthen the institutional capacity of the *Public Employment Service* (PES), 23 employment agencies have been already providing self-services to their customers, by purchasing the necessary IT equipments; and certain projects aiming at improving their institutional capacity are in progress in other 11 employment agencies,

By March 15, 2012, 3,199 PES employees attended training courses for developing their language and communication skills, computer skills, entrepreneurship courses and went in study tours in similar institutions in other EU Member States.

In order to **improve the vocational skills of the labour force**, MMFPS drafted the *Law on amending and completing the GO No 129/2000 on adult vocational training*, which is subject to the parliamentary debates. The new provisions regulate that the continuous vocational training (CVT) could be carried on by private or public legal and natural persons established in Romania, in other Member States or in EEA countries, irrespective on their legal form, according to *Directive*

¹ The smaller number is caused by the cancellation of seven contracts.

² SOP HRD – KAI 5.1. *Developing and implementing active employment measures*

2006/123/EC of the European Parliament and of the Council on 12 December 2006 on services in the internal market. Given the extended adoption procedure by the Parliament, MMFPS postponed the completion deadline to the QII/2012.

On June 20, 2011, the *Law No 106/2011 on amending and completing the Law No 279/2005 on apprenticeship at work* was published. The new piece of legislation repealed the provisions related to the authorization of the legal entities and individuals who employ apprentices and it became mandatory for the employers to bear the assessment cost of the professional skills acquired in the non-formal vocational training system. On December 28, 2011, the Romanian Government published the *GD No 1212/2011 on amending and completing the rules for implementing the Law No 279/2005 on apprenticeship at work*.

17 projects³ were contracted through ESF, in order to **strengthen the capacity of CVT service providers**, the payments amounted to 39.55 million lei, namely approx. 27.27% of the total value of contracts. By February 24, 2012, 25 CVT service providers received the funding, and 36 qualifications were developed. The share of CVT service providers who were authorized / certified according to quality assurance standards was 11.68%.

During January 1st, 2011 - January 31st, 2012, 50,155 jobseekers were trained by means of CVT programmes financed by the UIB, out of which 17,850 people were employed.

Complementary, ESF funded 696 projects⁴ dedicated to the continuous vocational training of workers, the payments amounted to 1.004 billion lei, approx. 32.04% of the total value of contracts. By February 24, 2012, 107,091 people participated in training courses, out of which 38,255 women. The output indicators were accomplished in a percentage of 33% - for the participants in CVT programmes who were certified, 27% - for the participants in training programmes who started new businesses, 58% - for the people who were certified in the management and organization of work and 78% - for the persons who were certified for upgrading their skills.

By March 15, 2012, in order to **increase the employment quality for persons, youth and women living in the rural area**, 9,160 persons graduated the vocational training courses financed by MADR through EARDF, under the measure dedicated to the vocational training, information actions and knowledge dissemination.

By March 15, 2012, 5,653 young persons, out of which 2,259 women, were financially supported by the measure for the setting-up young farmers implemented by the Managing Authority for the National Rural Development Programme.

In order to create alternative jobs for the population resident in rural areas, MADR financed under EARDF, through the *National Rural Development Programme*, the investments in non-agricultural activities. 30 contracts aiming at setting-up and developing the business in the non-agricultural sector were cancelled, so as the total number of new set up SMEs decreased to 2,168. By March 15, 2012, 4,260 new jobs were created, following the implementation of the above-mentioned projects.

By the supporting the tourism activities measure, under the EARDF 1,088 projects were financed, out of which about 700 belong to persons younger than 40 years old, and women. By March, 15, 2012, considering the effect on the labour market, the impact of the measure has not proven to be satisfactory as barely 50 new jobs were created.

³ SOP HRD – KAI 2.3. - *Access and participation in CVT*

⁴ SOP HRD – KAI 2.3. - *Access and participation in CVT*; KAI 3.1. - *Promoting entrepreneurial culture*; and KAI 3.2. - *Training and support for enterprises and employees in order to promote adaptability*

Complementary, ESF supported the long-term sustainability of rural areas. MMFPS contracted 268 projects for which the payments done amounted to 356.01 million lei, approx. 32.63% of the total value of contracts. By February 24, 2012, 42,757 people participated in integrated programmes (counselling and vocational training, entrepreneurship courses). The share of persons who were certified as a result of their participation in the training programmes and got employed was about 4%.

2.2 Research, Development & Innovation (RDI)

Evolution of the target indicator

According to the trajectory estimated in NRP, at the end of 2011, the level of investments in RDI should have been of **0.48%GDP** (0.33% of GDP - public sources and 0.15% of GDP – private sources).

Based on recent data provided by the National Institute of Statistics⁵, the estimated value⁶ for the level of investments in RDI is of 0.48% of GDP at the end of 2011 (0.30% of GDP – public sources and 0.18% of GDP – private sources).

By mid of March 2012, some progress has been made in the RDI field, focused on the three main lines of action included in NRP.

The need to **strengthen the capacity and to increase the performance of RDI system** led to *revising the legislative framework*, especially with regard the institutional financing. Thus, by adopting *GO No 6/2011* a new system of evaluation, classification and certification of R&D organizations is introduced in correlation with a new system of institutional funding (basic and additional funding). By means of its provisions, this legal act also sets-up the framework for involving the foreign evaluators in the process of assessing the R&D programmes, projects and institutions.

Legal acts revising the legislation on contracting, funding, monitoring and evaluating the programmes and projects included in the *National RDI Plan 2007-2013*, and on the methodological norms for the evaluation and classification of RDI units were also adopted. The evaluation of national R&D institutions has been launched based on the here above set of norms. The evaluation of a first group consisting of eight national institutes is currently on going, for which the teams of evaluators and visitation programme have been set.

In order to develop human resources for research, in 2011, 216 projects were selected (for stimulating the independent teams of young researchers and the post-doctoral research) within the *Human Resources Programme* and 284 projects for exploratory research were selected within the *Ideas Programme*. In the framework of the same programmes (parts of the *National RDI Plan 2007 – 2013*), the calls for proposals for 2012 was launched on March 1st, 2012.

The promotion of the large scale projects, associated to pan-European initiatives, supports and effectively contributes to accomplish the *European Research Area*. Therefore, the development of the *material base for research* has mainly targeted high performance large infrastructures of major scientific and technological impact.

⁵ INS publications: *Research and development in Romania – Statistical data collection - (2005 - 2010)* ISSN-L 1220 - 644Xnn ISSN 2067 – 2578nn, ©INS 2011 and *Statistical Yearbook of Romania*, ISSN: 1841 - 5431; ISSN-L: 1220 – 3246, © INS 2012.

⁶ Estimation accomplished by National Authority for Scientific Research, based on 2011 value of GBAORD (Government Budget Appropriations or Outlays for Research-Development activity) according to *Research and development in Romania – Statistical data collection - (2005 - 2010)* INS 2011 and assuming that the share of private sources is the same as the 2010 one, respectively 0.18% of GDP, according to *Statistical Yearbook of Romania*, INS 2012.

Two R&D public infrastructure projects (out of the 39 infrastructure projects contracted) and four private infrastructure projects (out of the 45 contracted projects) have been finalized in the framework of SOP Increase of Economic Competitiveness. Three of the finalized R&D infrastructures fall under the large infrastructure category namely those from NIRD “Physics of materials” and from “Lucian Blaga” University of Sibiu city (public infrastructure) and the one belonging to the private sector, SC Polipharma Industries SRL, Sibiu city. Over 13 million Lei was spent for equipping large research infrastructures and works for achieving strong power lasers were started.

The final mid-term evaluation report of the *National Strategy for Research, Development and Innovation 2007-2013* and of the *National RDI Plan 2007-2013* was finalised and approved by the National Authority for Scientific Research. Based on the evaluation of the current stage in accomplishing the objectives of the strategy and according to the dynamics of the RDI sector (as compared to the EU27 average), the final evaluation report provides recommendations on the need to further adapt and review the two documents, according to the current national and global trends and challenges.

In order to **stimulate the growth of private sector investment in R&D**, *partnerships* between research universities/institutes and enterprises were financially supported, as well as initiatives that promote innovation inside enterprises, including *innovative start-ups and spin-offs*. Financial support for these activities was provided both under the National RDI Plan 2007-2013 (about 464 projects in progress) and under SOP Increase of Economic Competitiveness (48 projects contracted in 2011 for supporting research universities/institutes – enterprises partnerships).

Four *prospective studies* in the fields of nanotechnologies, green energy, cellular therapy and services’ science were also finalised. Launched in “top-down” regime, these studies will represent background elements for the future national strategy for RDI in the period 2014-2020. Two studies are being developed on the assessment of the national research potential and on elaborating the national strategies for international cooperation in physics and chemistry.

In order to encourage SMEs to invest in their own R&D activities, in the framework of the National Plan for RDI – *Innovation Programme*, the information package and the minimis aid scheme regarding the innovation voucher had been approved by *ANCS Decision No 9039/01.03.2012* and *ANCS Decision No 9038/01.03.2012*. The innovation voucher aims at accelerating the technological transfer between research institutes and SMEs and can be used in any economic or scientific field. This minimis state aid will become operational starting by QII/2012.

In order to lay the basis for the elaboration of the *National Innovation Strategy*, a project for developing the capacity of ANCS to elaborate public policies in the field of innovation and technological transfer is currently on going. This project targets the following: development of a national network of innovation managers in central and local public administration; setting a national standard for the technological transfer process; development of a platform for data collection and supply of relevant statistics on performance in the field of innovation and technological transfer. The elaboration of the National Innovation Strategy is delayed, mainly because of the delays occurred in elaborating the final mid-term evaluation report of the National Strategy for Research, Development and Innovation 2007-2013 and of the National RDI Plan 2007-2013.

The European / international dimension of RDI has been consolidated by ensuring the financing and implementation of over 100 projects with Romanian participation within FP7, CERN and the programmes in collaboration with China, South Korea, France and Slovakia, as well as through the activities carried out for setting up the *International Centre for Advanced Studies Danube – Danube Delta – Black Sea*.

The implementation of measures for the development of the European dimension of the R&D policies and programmes contributed to increase the visibility, involvement and interaction degree and, also, the capacity of Romanian researchers and research teams to distinguish themselves amongst international R&D bodies and programmes.

As member state of the European Space Agency (ESA), Romania has been distinguished itself by launching the *Goliat* satellite into space, on February 16 2012. *Goliat* is the first satellite entirely projected and built in Romania, financed under *National RDI Plan 2007-2013 - Partnerships* programme. The control of the mission is ensured by the common control centre ROSA – the Institute for Space Science, located in Magurele. This event significantly improves the visibility and competitiveness of the national RDI system.

Promoting the *two strategic projects – Extreme Light Infrastructure (ELI) and International Centre for Advance Studies Danube - Danube Delta - Black Sea* – contributes to increasing the access to European and international information – documentation sources and infrastructures, as well as to raising the access level of Romanian researchers and research teams to the outcomes of scientific and technical production developed in international partnership in high technology fields.

ELI, the first pan-European research facility built in Eastern Europe, will place Romania into the group of states owning pan-European research infrastructures. Within *ELI* project, developed in collaboration between Romania, Czech Republic and Hungary, the most important pan-European facility in the field of civil laser will be developed. *Photon-nuclear unit ELI-NP* for tests in the field of nuclear physics will be located in Romania and will represent one of the most important pillars of the *ELI* laser system.

By the end of 2011, Romania allocated about 4.8 million Euro for carrying out the feasibility study, and the technical project for *ELI*. At late November 2011, the government approved the reallocation of 180 million Euro between the priority axes of SOP IEC in order to support the *ELI* project (for 2012-2015 period).

On February 16, 2012, the *ELI* project has been allowed by the European Commission – DG Regio to enter the analyses and verification procedure⁷.

In order to support Romanian contributions to the *EU Strategy for Danube Region*, prerequisites were created for setting up the *International Centre for Advance Studies Danube – Danube Delta – Black Sea*. Debates on the structure, the scientific directions, the activities, the governance and financing of the centre took place. The preliminary version of the White Paper on the scientific fields approached within the international centre has been prepared; the document is going to be discussed in the frame of an international reunion, during May 2012.

⁷ As a rule, the procedure lasts 90 days.

2.3 Climate change and energy

2.3.1 Tackling Climate Change and Promoting Sustainable Development

Evolution of the target indicator

According to the latest available data (for 2010) from the National Inventory of Greenhouse Gas Emissions (INEGES), greenhouse gas (GHG) emissions from major economic sectors are as follows: **in the energy sector, GHG emissions decreased by 58.02% between 1989 and 2010**, considering the level of emissions in base year 1989 as a benchmark in achieving INEGES; **GHG emissions from "Industrial processes" sector decreased by 67.84% during the same period; GHG emissions from agriculture fell by 52.80%; CO₂ storage increased by 15.38%. Regarding the waste sector, GHG emissions increased by 34.12% as compared to the 1989 level.**

Overall, **total GHG emissions (excluding LULUCF) decreased by 51.48%** during 1990-2010 (from 255,350.08 Gg CO₂ equivalent to 123,904.19 Gg CO₂ equivalent), **and total GHG emissions (including LULUCF) decreased by 56.55%** during 1990-2010 (from 227,947.70 Gg CO₂ equivalent to 99,041.50 Gg CO₂ equivalent), both values hovering well below the Romanian maximum GHG emissions for 2020.

Romania initiated and continued policies **aiming at reducing GHG emissions and promoting renewable energy production**. The National Climate Change Strategy for 2013-2020 is currently being developed. Collaboration with the World Bank has been recently initiated in order to develop the strategy component for adapting to climate change and to draw up the *Action Plan on Adapting to Climate Change*. In 2011 51 projects contributing to the increase of the share of clean and free of GHG emissions alternative energy sources in total energy consumption were approved. 11,964 private households and 170 businesses have been granted public funds for installation of renewable energy production and GHG emissions-free systems. Also, under the European Economic Recovery Plan (EERP) which allocates additional funds to Romania a 101.7 million Euro, 264 projects totalling 20.7 million Euro were contracted so far and have to be completed by the end of 2012. These projects mainly relate to the production of renewable energy, climate change, and water resources management. In this field other 7 projects are ongoing (totalling 2,033.72 million Lei financed through SOP Environment), and targeting the **technological upgrading of large combustion plants and stimulating energy production from clean sources**.

In order to **modernize the transport sector** to ensure improving resource efficiency, reducing greenhouse gas emissions and enhancing technical and energy performance of the rolling stock, the national railway operators purchased / upgraded in 2011 the following: 81 wagons, totalling 183.28 million Lei, 11 automotive totalling 81.18 million Lei and 10 locomotives totalling 41.53 million Lei. Regarding "clean vehicles", in 2011, the Romanian Auto Register registered 329 hybrid and 5 electric vehicles.

For **storage of GHG emissions**, Romania initiated research to identify major areas of CO₂ potential geological storage and initiated a project for the deployment of carbon storage. So far, for the development of this project 1.2 million lei was allocated from the state budget. In Romania, seven major areas of potential geological storage of CO₂ were identified: Moldavian Platform, Platform Scitica, North Dobrogea Orogen, Moesian Platform, Getic Depression, Pannonian Basin, and Transylvanian Depression.

In 2011 - the international year of forests, Romania has unrolled a consistent campaign of **afforestation**, in order to mitigate the effects of climate change and carbon storage. Thus, 1524 ha were afforested and forest plantations were established on 24 ha.

Romania has continued in 2011 those **environmental infrastructure** programmes that **support sustainable development and environmental improvements**. Thus, the national collection and treatment of urban wastewater was expanded, reaching in December 2011 to 983 sewage networks, serving 634 human settlements and 511 urban wastewater treatment plants of which 534 human settlements are benefitting from.

As regards **waste management**, 18 projects were initiated under SOP Environment, totalling 3.200 million Lei and 42 operators have implemented waste management systems under the Environment Fund. A large group of 9,078,550 inhabitants benefits of integrated waste management systems at county level.

Regarding **nature protection**, *Natura 2000* sites occupy over 17% of the country's territory. The management of these areas has been improved. 664 protected areas were assigned in custody / management. Specific surveys have been developed, 115 new sites of Community importance were approved⁸ and 28 existing sites of Community importance were extended. 40 new special protection areas were approved and 20 existing special protection areas were expanded. In the field of nature protection and biodiversity preservation, 87 projects are implemented, totalling 477.03 million lei financed through SOP Environment.

The National Programme for Infrastructure Development (NPID) was elaborated to develop a public infrastructure of local interest which would foster economic growth and job opportunities. The Ministry of Regional Development and Tourism (MDRT) is the main credit releasing authority for the priority projects developed under this programme, along with the Ministry of Environment and Forests. Funding of priority projects within NPID is provided from amounts allocated annually for this purpose from reimbursable and non-reimbursable external funds, state budget (via MDRT and MMP budget) and other funding sources legally constituted.

Among the priority projects under NPID, which implementation was started by MDRT one would mention the construction / upgrading of 10,000 km of roads of county and local interest, as well as projects on wastewater sewage network and potable water supply network of settlements.

MDRT signed a number of 5 contracts on planning and making of ***upgrading and rehabilitation works for county and local interest roads*** in 11 counties, with an implementation period lasting from 2011 to 2013. The total value for the 5 contracts raises to 3,534,534 lei (VAT included), for a total length of 2,617.109 km, of which 355.265 km of county roads and 2,261.844 km of local interest roads.

In the framework of the priority project *Sewage systems, wastewater treatment and water supply networks for settlements*, for the ***component sewage, wastewater drainage*** over 1,168 objectives were approved by the *Technical and Economic Council* of MDRT and respectively by the *Inter-ministerial Advisory Council for Public Works of National Interest and Buildings*. As for the ***water supply component***, over 891 objectives were approved. In the framework of the water supply and wastewater treatment project, the procedures for public procurement of planning and execution services were started in the case of 425 investment objectives.

⁸ Minister of Environment and Forests Order no 2387/29.09.2011 on amendment of Minister of Environment and Forests Order no 1964/2007 concerning the creation of the protected natural area of Community importance sites, as part of the European ecological network *Natura 2000* in Romania

2.3.2 Renewable Energy Sources

Evolution of the target indicator

The **2011 value of the share of energy from renewable sources (RES) in the gross final energy consumption** has been estimated in two working hypothesis, as follows:

➤ **Considering the biofuels consumption** – in this case the indicator value is **23.3%** (very close to the 2020 target).

The calculation methodology used the following data estimated on the basis of the information available on March 15, 2012:

- Gross final energy consumption in 2011: 24,700 thousand toe
- Total energy consumption from RES in 2011: 5,750 thousand toe, out of which:
 - 3,950 thousand toe in heating and cooling processes (out of which 3,900 thousand toe firewood / biomass);
 - 1,540 thousand toe electricity;
 - 290 thousand toe in transport (out of which 260 thousand toe biofuels and 30 thousand toe electricity).

➤ **Ignoring the biofuels consumption** - the indicator value is **22.2%** - significantly higher than the value set by the indicative trajectory provided by the Directive 2009/28/EC on the promotion of the use of energy from renewable sources.

The high value of the share of energy from RES is primarily due to the high consumption of firewood / biomass.

RES promotion through green certificates system has continued in order to achieve the national target.

Based on the requirements specified in the European Commission authorization issued in July 2011 - case No 33134 (11/N) – the government adopted the GEO No 88/2011 on amending and completing the *Law No 220/2008 on establishing the system to promote energy production from RES*. Following the ordinance adoption, a series of legal acts have been adapted, amended and approved as follows:

- Regulation on the accreditation of producers of electricity from RES to implement the promotion system (ANRE Order No 42/2011);
- Regulation on management and operating the green certificates market (ANRE Order No 44/2011);
- Regulation on issuing green certificates (ANRE Order No 43/2011);
- Methodology on setting annual acquisition quotas of green certificates (ANRE Order No 45/2011).

There have been also adopted the following legal acts:

- GD No 1232/2011 on the approval of the Regulation for issuing and tracking the guarantees of origin for electricity produced from RES;
- ANRE Order No 4/2012 on updating the limit values for green certificates trading and the value of a not acquired green certificate, applicable for year 2012.

The implementation of the green certificates scheme (between January 2011 and March 15, 2012) led to the commissioning of 881 MW in renewable energy power plants⁹. Consequently, on March 15, 2012, the power installed in renewable energy units which benefit from the promotion system was of 1623 MW.

End users, through the price paid for electricity, and suppliers, through their own efforts to streamline their business, both contribute to funding the promotion of electricity from renewable sources.

⁹ State of play on March 15, 2012

In order to **upgrade and build new electricity and heat generating capacities**, investment for exploitation of biomass, hydropower (in units with installed capacity ≤ 10 MW), solar, wind and bio fuels resources continued to be supported in the framework of SOP-IEC¹⁰. Following the calls for proposals (conducted in 2008-2010), 14 projects¹¹ were contracted (totalling 630 million lei, out of which approx. 298 million lei represent the non-reimbursable assistance).

The high number of projects being granted the minimum score needed for financing led in October 2010, to the decision of increasing KAI 2 budget by 100 million Euro (through reallocation from other operations of the PA 4). Supplementing the budget of KAI 2 implied the amendment of the legal act approving the state aid scheme (GD No 750/2008). The draft legal act amending GD No 750/2008, submitted for adoption in early September 2011, was not adopted by March 15, 2012.

The Monitoring Committee meeting of November 2011 decided a second supplementation of KAI 2 budget by 100 million Euro. Supplementation will be achieved by reallocation from the investments chapter in large combustion plants operation. Therefore, it was necessary to promote another draft legal act to amend the state aid scheme, in order to include the additional 200 million Euro. The draft legal act, prepared and approved by MECMA, is in inter-ministerial approval circuit.

RES promotion in the framework of the **Environmental Fund** has been continued by means of two main mechanisms as follows:

- In the framework of *Programme for increasing the energy production from RES*, 51 investment projects have been financed by March 15, 2012; the complete implementation of these projects will lead to the development of some heating systems with a power of 236.79 MW;
- The *Green House Programme* has supported (by March 15, 2012) 11,964 individual households and 170 legal bodies for the installation of heating systems using renewable energy.

In November 2011, a technical assistance project under the *Intelligent Energy for Europe Programme* has been contracted in order to ensure the **certification requirements for installers operating in RES field**¹². The project will start in 2012 and will create a national qualification platform, bringing together all stakeholders involved in the qualification and vocational training in energy efficiency and use of renewable energy in buildings.

¹⁰ Priority Axis 4 (PA4): Increasing energy efficiency and security of supply, in the context of combating climate change / Key Area of Intervention 2 (KAI 2) - Valorization of renewable energy resources for producing "green" energy

¹¹ Total number of contracted projects was initially 17, out of which 3 were later canceled.

¹² Under Article 14 (3) of Directive 2009/28/EC on the promotion of the use of energy from renewable sources on the promotion of renewable energy, " Member States shall ensure that certification schemes or equivalent qualification schemes become or are available by 31 December 2012 for installers of small-scale biomass boilers and stoves, solar photovoltaic and solar thermal systems, shallow geothermal systems and heat pumps."

2.3.3 Energy efficiency

Evolution of the target indicator

Primary energy consumption in 2011 could be estimated at 35,500 thousand toe¹³. In order to establish the reduction in primary energy consumption in 2011, the projection of this indicator - using PRIMES model¹⁴ - is needed.

In 2007, European Commission has projected for Romania a primary energy consumption of 41,890 thousand toe in 2010 and of 46,946 thousand toe in 2015. No projections are available for 2011 but a value of 42,900 thousand toe might be estimated.

Consequently, for 2011, **a reduction of 7,400 thousand toe (17.3%) in the primary energy consumption - as compared to PRIMES 2007 projection - results out of this¹⁵.**

In order to increase energy efficiency, the **state aid scheme to promote high efficiency cogeneration** became operational on April 1st, 2011. The scheme provides financial support to electricity and heat producers owning or using for commercial purpose high efficiency cogeneration power plants which achieve fuel savings of at least 10% as compared to the differentiated production.

Between April 2011 and February 2012, 37 operators benefited from the support scheme. The financial support for this measure is from extra-budgetary sources, the costs being borne both by all consumers and by electricity export suppliers. The total amount granted as a bonus between April 2011 - February 2012 was of 864.249 million Lei.

In the framework of the **information and raising awareness campaigns of population and businesses environment on the importance of increasing the energy efficiency**, in order to promote the energy performance contract and to develop the energy services market, 3 training seminars were held in Iasi, Brasov and Medias, and 150 representatives of local authorities and ESCO¹⁶ attended them. Seminars with natural gas and electricity companies were also organized in Iasi, Bacau, Medias, Targu-Mures and Mangalia.

Three seminars in Iasi, Sibiu and Bucharest were organized with the energy managers authorized by ANRE, in order to analyze their activity within the authorization timeframe and to identify measures required to implement the provisions of the new draft directive on energy efficiency.

On the ANRE website, standard documents for energy performance contract have been posted; information on this type of contract has been promoted through specialized publications, TV interviews, regional offices (playing the role of identifying and promoting pilot projects), and by means of presentations at conferences held in Bucharest, Ploiesti and Brasov.

¹³ ICEMENERG estimation

¹⁴ PRIMES is a modelling system that simulates a market equilibrium solution for energy demand and supply in EU MS. PRIMES was designed to achieve forecasts, scenarios and impact assessment studies and is used for general purposes. The model covers a medium to long-term horizon. It is modular and allows either for a unified model use or for partial use of modules to support specific energy studies. PRIMES is used by European Commission in its analyses and forecasts.

¹⁵ According to NPR 2007-2013, in order to establish the national target for energy savings, the projection for primary energy consumption has been taken into consideration using PRIMES model. In 2009, using the same model (with changed entry data and taking into consideration the economic crisis effects) a primary energy consumption of 39,111 thousand toe was foreseen for Romania in 2010 and one of 41,409 thousand toe in 2015. The available data do not include values for 2011 forecast, but a value of 39,570 thousand toe can be estimated. A reduction of 4,070 thousand toe (10.3%) in the primary energy consumption - as compared to PRIMES 2009 projections - results out in this case.

¹⁶ Energy Service Companies

In order to inform and educate consumers, the *Information Centre for Energy Efficiency and Renewable Energy* was open in Cluj Napoca. Information dissemination, presentations of prototype equipment and visits for students have been organized at this centre.

In order to rehabilitate the centralized district heating system, in the framework of the ***Programme District Heating, Heat and Comfort 2006-2015 (heating component)***, 42.8 million lei were allocated from the 2011 state budget to 27 administrative - territorial units; out of this allocation, 35.46 million were spent by 22 administrative - territorial units. The own contribution of local authorities was of 28.7 million lei. The delays recorded by the administrative - territorial units in the process of public procurement and the scarcity of financing sources at local level are the main reasons of the incomplete use of funds allocated from state budget. Amending the programme implementation rules in view to decreasing the level of the local budget contribution could be a solution for improving the situation; thus the attractiveness of programme could increase.

By financing the projects included in the *Programme District Heating, Heat and Comfort 2006-2015 (heating component)*, the following works have been achieved by March 15, 2012:

- Rehabilitation of centralized heating systems of the cities (Pitesti, Resita, Miercurea-Ciuc, Odorheiu Secuiesc, Botosani, Panciu, Odobesti);
- Rehabilitation and modernization of transport networks of the heating agent (Tulcea, Iasi, Botosani, Bacau, Brasov);
- Modernization and rehabilitation of heating plants and secondary heating networks (Focsani, Galati, Brad, Alexandria, Buzau, Resita, Giurgiu, Miercurea-Ciuc, Odorheiu Secuiesc, Tulcea, Botosani, Braila);
- Modernization / automation of heating power plants (Cluj-Napoca);
- Modernization of heating generating sources (Motru);
- Replacement of the boilers based on light liquid fuel by those based on biomass fuel (Horezu);
- Modernization of the electrical dedusting equipment of boilers (Vâlcea County Council).

The achieved works will contribute to: increasing the energy efficiency (by increasing the efficiency of the centralized systems of generating, transport and distribution of thermal energy); development of energy market; increasing the efficiency of thermal energy production in cogeneration. The energy efficiency - expressed in toe/year savings – is of 10,334 toe/year.

Moreover, the reduction of production prices and of network lost, increasing the quality of thermal energy and the optimization of fuel consumption are all estimated beneficial effects.

For 2012, 43.8 million lei have been allocated according to State Budget Law. The Inter-ministerial Commission for the Co-ordination of the Administrative – Territorial Units will distribute this amount on the basis of the financing applications and technical and economical documentation.

As regards the ***National Energy Efficiency Programme (2011 – 2013)***, the draft legal act on programme approval did not receive MFP endorsement, although it has been endorsed by MECMA and MAI. For 2011, the amount foreseen for projects co-financing was of 6.9 million lei (1.65 million Euro).

In order to **support investments in facilities and equipment generating energy savings** in industrial enterprises, eight contracts were signed in the framework of SOP IEC and amounting to roughly 247 million lei, out of which approx. 88 million lei represent the non-reimbursable financial assistance. 16

projects are currently in the contracting phase (14 projects were selected as a result of 2010 tender and 2 projects following 2011 tender). One financing contract was cancelled.

The actions undertaken for the thermal rehabilitation of buildings have been also continued. By March 15, 2012, in the framework of the *Programme for rehabilitation of multi-storey family buildings* (approved by GEO No 18/2009 on enhancing the energy performance of residential buildings), payments amounting to 136.027 million lei were made for increasing the energy performance of 836 multi-storey family buildings (37,438 apartments). Works reception was made to a number of 505 multi-storey buildings (18,926 apartments) out of the total multi-storey family buildings financed. As for the rehabilitation of residential buildings financed through government guaranteed loans (according to GEO No 69/2010) five credits were contracted.

Taking into account the fact that after rehabilitation, the energy used for heating will be cut by 35%, one can estimate that the rehabilitation of the 18,926 apartments will lead to an economy of around 46,369 Gcal/year, while the CO₂ emissions will be cut by 13,786 t/year.

2.4 Education

2.4.1 The impact of the Law on National Education

The Law on National Education (LNE) No 1/2011 provides the general legal framework to reach the national targets proposed within *Europe 2020* strategy and, consequently, to implement those measures proposed within Romania's NRP.

Amongst the subsequent legal acts deriving from the *Law on National Education*, there have been adopted all planned for the first year after the adoption of the law. These regulations target access to education, quality education and efficiency of educational process, opening education to other milieus (economic, social, cultural, etc.). Ministry of Education, Research, Youth and Sports (MECTS) is currently implementing the new legal provisions through education programmes and projects, social programs and programmes designed for disadvantaged groups, while a significant number of these programmes are co-funded by European funds.

Amongst the legal methodologies completed by MECTS, those contributing to education related national targets in *Europe 2020* aims at: subsidizing the costs of school attendance, both for high school students from rural or disadvantaged schools, supporting the pre-university education private and confessional accredited schools, management socio-economic groups and for those who attend Vocational Education and Training (VET) and operating the community centres on lifelong learning; the use of *Europass*¹⁷ and *Youthpass*¹⁸ tools. There were also finalized the methodologies designed to ensure the enforcement of the National Education Law in Lifelong Learning field.

In order to ensure fairness and equity in education evaluation process, amongst the most important measures taken by MECTS were those targeting a close monitoring of national exams and competitions.

On the basis of several legal acts and for the first time in Romania a university **classification of universities** was accomplished threefold, as follows:

- a) Universities focused on education;

¹⁷ *Europass* is a EU initiative designed to increase transparency of qualifications and to foster citizens mobility throughout EU

¹⁸ *Youthpass* certificate is a document designed to recognize training outcomes and skills obtained by EU citizens within *Youth in Action Programme*; the later aims at supporting those non-informal learning activities

- b) Education and research universities or art and creation universities;
- c) Advanced research and education universities.

Ranking is substantiated by the need to increase performance and quality of national higher education in Romania, to subsequently meet the strategic objectives for education and VET. Moreover the **classification of higher education curriculum** was done providing the universities with the opportunity to improve their activities' effectiveness.

Following the classification, **public financing of public higher education institutions** will be differentiated by category of universities, and depending on their curricula rank in the hierarchy.

According to the evaluation made by the Romanian Agency for Quality Assurance in Higher Education (ARACIS), the Government adopted a decision¹⁹ which regulates for the first time in Romania, the **maximum capacity for enrolment at national scale for each higher education curriculum**.

Selection procedures for academics are more transparent, and the access to lecturer and professor posts is made according to European standards.

Complementary, the government approved an emergency ordinance including anti-plagiarism measures²⁰, and targeting the regulation of ethical issues in academic and research areas.

A series of normative acts and have been approved and focused on: financing higher education, occupying vacancies in research and higher education, the *Code of doctoral studies*, organizing graduation exams, license (BA), dissertation, etc.

2.4.2 Reducing early school leaving rate

Evolution of the target indicator

Amid sharpening the global economic crisis, the **rate of early school leaving (ESL) has increased**, with repercussions on the Romanian economy and whole society. **ESL rate was 18.4% in 2010**, up by 2.5 pps as compared to 2008 (15.9%). **However a decrease trend was observed in 2011: 17.8% in QII and even 16.7% in QIII**, but with high differences by residential area (27.9% in rural areas, as against 7.4% in urban, values recorded in the QIII/2011). By gender, there ESL rate is lower among girls by 1.7 pps on QIII/2011, as shown in the table below:

<i>Early school leaving rate by time and gender</i>						- % -
	<i>2008</i>	<i>2009</i>	<i>2010</i>	<i>QI/ 2011</i>	<i>QII/ 2011</i>	<i>QIII/ 2011</i>
Total	15.9	16.6	18.4	18.8	17.8	16.7
Boys	15.9	16.1	18.6	20.2	18.7	17.6
Girls	16.0	17.2	18.2	17.4	16.8	15.9

* Note: data computed for 2011 are only for QIII.
 Source: INS based on *Households Labour Survey*

¹⁹ Government Decision (G.D.) no. 966/2011 on the approval of the Fields and the specialization / university curricula, structure of higher education institutions, the fields and university curricula accredited or approved to operate temporarily, geographical locations, the number of transferable study credits for each higher education curriculum, education level and teaching language as well as the maximum number of students to be enrolled

²⁰ Government Emergency Ordinance no. 28/2011 on the amendment and completion of the Law no. 206/2004 on the good conduct in scientific research, technological development and innovation

Below there are outlined the main directions of progress structured **on priority actions conceived to attain the target.**

In order to **extend the implementation framework of the early education reform** there are being continued, by means of ESF-HRD programmes support, the implementation of two complementary national projects: *Inclusive Early Education Programme (IEEP)*²¹ and *Early Education Reform Project (EERP)*, the latter co-financed by the Council of Europe Development Bank (CEB) and the Government Romania. By IEPP standards of education support materials and standards for minimum equipping of kindergartens were developed. Moreover the *National Curricula for pupils aged 3 - 6/7* were reviewed and the *Methodological Guidelines for the Implementation of Reviewed Curriculum* were adopted. Through EERP project a training curriculum and a VET programme for teaching staff in kindergartens, counsellors and kindergartens principals were developed. The VET programme focused on developing new skills of teaching staff (including auxiliary staff), in order to implement the newly reviewed curricula on early education for pupils aged 3 to 6/7.

As regards **granting the necessary support to prevent early school leaving** through implementation of social programmes, MECTS has already elaborated and issued the implementation methodologies for *School after school* programme which will be implemented at the beginning of each school year, at school level, based on the decisions made by school management boards.

To support **the return to school of early school leavers**, MECTS has already elaborated and issued the implementation methodologies for *Second Chance* programme and it has elaborated the methodology on *Functional literacy* programme. All these programmes will provide opportunities for early school leavers to re-enter education. Moreover, through implementation of annually based social support programmes i.e. *School supplies*²², *Money for high-school*²³ and *Euro 200*²⁴ (all funded by state budget) and the *Croissant and milk* programme (funded by local budgets), framework conditions are created to ensure equal access to education for students coming from disadvantaged groups.

In order to increase the relevance of training of students through streamlining education process towards skills formation MECTS has started the elaboration of *Framework curricula of reference*. A *Council on Curricula* was set up and the *Framework plan* and *School curriculum for preparatory class* (ensuring a smoother transition from early education to primary education) were elaborated; all these documents are currently under public debate. The new school curricula and education plans for pre-university education will be developed and will take effect gradually, starting from the school year 2012-2013. VET curricula for VET education are under elaboration. VET programmes on continuous education of VET teaching staff are currently under implementation (especially for the benefit of teaching staff in kindergartens²⁵ and VET schools).

²¹ Component of *Social Inclusion Project* (co-financed by WB and Government of Romania)

²² There were 727,825 beneficiaries (pupils and students) in the school year 2010-2011 and 727,825 beneficiaries in the school year 2009-2010.

²³ There were 121,145 beneficiaries (students) in the school year 2010-2011 (GD No 1488/2004 with subsequent amendments and completions provides for the amount of Lei 180 for each student from families whose income is < 150 Lei), as against 128,475 beneficiaries in the school year 2010-2011. A downward trend in the number of beneficiaries can be perceived as a result of social surveys conducted.

²⁴ There were 22,440 beneficiaries (students) in the school year 2009-2010 and 21,598 students in the school year 2010-2012. There is also a downward regarding the number of beneficiaries as a result of social surveys conducted.

²⁵ There were trained: 39.184 teaching staff from 11,041 kindergartens, 3,112 kindergartens principals and 18.139 auxiliary staff

There were elaborated specific methodologies on the new national evaluations in primary education, methodological guidelines for the implementation of national evaluations in primary education, teaching staff training programmes to implement new national evaluations (accreditation pending) in primary education. Thus, 4 national projects applications on teacher training were submitted for accreditation to the *Directorate on Lifelong Learning for Pre-university Education Staff* (DFCPIP). Training programmes were granted accreditation by DFCPIP decision and their implementation has started in March 2012. Moreover, another national project application was submitted for accreditation to DFCPIP on training school inspectors, directors of teaching-staff resources centres and persons in charge with databases related to examinations and national evaluations in each county. The programme is co-financed through SOP HRD and the start of its activities is scheduled for March 2012.

Development of vocational education and training (VET), secondary (technological VET route) and the post-secondary education is supported through funding from the state budget of education **vacancies** for this types of education through teacher training programmes in VET education as well as via two projects funded by ESF-SOP HRD, namely: *Correlating VET offer to labour market needs* and *Improving the quality of education and vocational training through partnership networks*. Through the former project there have been already supported 1088 schools training students in VET education, by means of monitoring School Action Plans (SAPs - strategic planning documents), by members of Local Committees for Development of Social Partnership (LCDSPs) and by providing *Local Action Plans for Education* (LAPes). Through the later project, 96 schools are being supported, constituents of partnership networks; three standards and procedures have been updated and developed; a strategy / methodology for implementing the *European Framework of Reference in Quality Assurance* (EQARF) in Vocational Education and Training (TVET); 96 annual activity plans were conducted at the partnership network of schools, and during September-December 2011, 234 people activating in education and training were trained and certified through VET training programmes certified by March 15, 2012.

Moreover for vocational education and training of TVET teaching staff, there are being implemented other projects funded by ESF - SOP HRD. The project *Teacher training in TVET – services field*, aims at training TVET 600 teachers in this field, to endow them with those professional skills required to implement interactive learning method (*simulating firms*). The training aims at providing those skills required for a teaching – learning process designed to promote entrepreneurial skills to students. By March 15, 2012 the second training module for teaching staff was completed and (of the three training modules in the project). By the same time, the application of questionnaire for training needs, and interpretation of results, the skills kits related to each four training courses, curricula and content of each course were achieved.

Regarding the **opening of school to the community and business environment**, particularly in disadvantaged areas, efforts are focused towards development of key skills as a prerequisite for social inclusion through projects funded by ESF - SOP HRD. Thus, through the project: *Offers for inclusive education, curricular and extracurricular activities to form a healthy lifestyle and active citizenship for children from disadvantaged mainly rural communities, in pre-university education* a number of 12,800 students and 1950 teachers were trained and a policy public in this field has been developed.

With regard to **focusing teacher training on areas of impact / change fostering quality school attainment**, through ESF projects - SOP HRD, teachers were trained to develop new skills from starting from early education up to upper and post secondary education.²⁶

As for the school year 2011 - 2012, MECTS has started the implementation of priority actions, detailed at the whole pre-university education through a *Roadmap*, aiming at following two major lines of action: **improving access for all students to quality education** and **increasing level of education attainment** by reducing school drop out, evaluation of learning for guiding and optimization purposes and improving reading skills.

2.4.3 Increasing the share of 20-34 aged people with tertiary education

Evolution of the target indicator

Following the start of measures taken to adapting higher education to labour market and increase access to tertiary education, **the share of population aged 30-34 years with tertiary education level recorded in recent years an increase of 4.1 pps since 2008, rising from 16% in 2008 to 18.1% in 2010 and up to 20.5% in QIII/2011**. One may notice that in QIII/2011 one have already slightly overcome the intermediary target envisaged for 2013, of 20.25%. By gender, one can perceive a 1 pps advance in case of women as shown in the table below:

Share of 30-34 aged people with tertiary education by year and gender - % -

	2008	2009	2010	QI/2011	QII/2011	QIII/2011
Total	16.0	16.8	18.1	20.3	19.7	20.5
Males	14.9	15.2	16.7	18.9	19.6	20.0
Females	17.1	18.5	19.6	21.7	19.8	21.0

* Note: data computed for 2011 are only for QIII.

Source: INS based on *Households Labour Survey*

In order to develop an appropriate **National Qualifications Framework** adapted to the current development level of economy and to ensure the former assimilation in labour market, 573 qualifications were described in terms of skills as against the target initially proposed of 500 qualifications; the methodology on the implementation of the *National Qualification Framework in Higher Education* (CNCIS) was developed and is pending approval. Through the projects: “Development of *Qualification Framework in Higher Education* implementing capacity” and “Implementation and validation of the *National Qualifications Framework*”, implemented by the National Qualifications Authority (ANC)²⁷, the portal www.rncis.ro was designed and launched as a tool representing the online platform for training evaluators, which is still in progress. The aim of creating this online platform is the training of assessors of qualifications to become members of the qualifications evaluation committees established at the ANC level, as well as training higher education teaching staff to implement innovative evaluation methods of student competencies

²⁶ For example, through the project *Enhancing quality vocational education and training through partnerships networks* whose objective is to form partnerships networks amongst schools, there were trained 234 teachers in TVET.

²⁷ National Qualifications Authority (NCA) was established by reorganizing the National Council of Qualifications and Vocational Training of Adults (NCQVTA) and the Executive Unit of the National Council of Qualifications and Vocational Training of Adults (EUNCQVTA). According to G.D. no. 556/2011, to fulfil its duties, NCA took over all rights and obligations of NCQVTA and EUNCQVTA which were abolished.

In order to **adapt higher education to labour market needs**, some projects are under implementation as follows: *National monitoring survey on the insertion of higher education graduates on labour market* (a pilot project conducted in 55 universities) and *Single Registration Intake* of public and private universities in Romania as means of monitoring the level of attainment in higher education and tight control of diplomas. Expanding these monitoring surveys to supplementary batches of higher education graduates and involving new universities in these surveys aim at increasing institutional capacity to carry out such monitoring surveys on regular basis. This helps to ensure both the sustainability of outputs and a wider dissemination of specific tools and methodologies developed and implemented so far according to new requirements involved in the institutional assessment process. Conclusions of the project pilot will be drawn from the analysis of the survey outputs from monitoring the 2005 and 2009²⁸ batches of graduates of the participating universities.

The project *Single Registration Intake* (completed in October 2011) contributes significantly to rendering Single Registration Intake of Romanian Universities operational (according to *Law on National Education*), to monitor participation in higher education and to ensure a tight control of diplomas issued by public and private universities of Romania.

In order to **create mechanisms for the recognition of skills acquired through tertiary routes**, the Minister of Education issued the *Order No 5487* of September 29, 2011 on approving the *Regulation on recognition in the tertiary non-higher education obtained in high school education – technical and vocational route*.

To **create an objective framework to attract young people with skills towards qualifications ensuring the implementation of a preset pattern of economic development pattern** and in order to **match higher education to labour market needs**, regular national studies were initiated to link higher education with labour market requirements. Thus, through SOP HRD *Management of matching education with labour market* which being is implemented in November 2010 - October 2013, aims at creating a network for qualitative and quantitative data collection and development of tools, procedures and methodologies to improve and update permanent knowledge and skills provided by the higher education according to labour market demands. At the end of three years of implementation of this project it is expected to achieve an integrated tool for monitoring the insertion of graduates into the labour market, designed to provide a real-time response to those people who aim at becoming higher education students and wish to lay the basis of a career based on predictability.

In order to achieve a **Loan system for Romanian students**, the *Agency on Loans and Scholarships* (ALC) analyzed, together with representatives of National Bank of Romania (BNR), the possibilities of structuring a loan system for students; the results of discussions led to idea that the central bank can not impose to banks to loan students at special interests rates. BNR recommended direct negotiations between MECTS on the one hand and banks on the other hand, but only after establishing the exact size of the minimum guarantee. Given the prolonged economic crisis, difficulties were encountered during negotiations related to the identification of financial resources needed for the implementation of credit system. Further discussions are needed between the stakeholders involved.

Regarding the **exemption of 75% of the loan for graduate studies those graduates who practice their profession for at least 5 years in rural areas**, the specialized directorates of MECTS and MFP examines how to put this legal provision into practice since the measure is directly linked to student loan system mentioned here above.

²⁸ Out of the approximately 150,000 graduates of batches from 2005 to 2009 who invited to participate in the study, 39,000 responded.

In order to change the system of scholarships a government decision²⁹ was developed and adopted to ensure a better management of *Parvan* and *Iorga* grants, in terms of extensive application and reducing the traineeship stages, in order to ensure that a larger number of candidates benefit from these scholarships. MECTS is still working on a draft government decision that would grant more scholarships other than those resulting from bilateral protocols as a form of supporting excellence in education and as a means of involving the state in the fostering policies to training the specialist abroad.

To foster **lifelong learning**, the *draft national strategy* in this field was developed and consultations with all stakeholders continue to complete the version submitted for public debate early this year. Methodologies were developed for formal, informal and non formal learning contexts to make education more flexible, ensure access to education, and quality education, and to open education to community needs.

The measures taken by MECTS' and having a direct impact on widening access to tertiary education for young people cover various fields of intervention have been supported by EU funded projects such as: *Development of an operational system of qualifications in higher education in Romania – DOCIS*, *Quality and Leadership for the Romanian Higher Education*, *Improving university management*, etc.

2.5 Social inclusion / poverty reduction

Evolution of the target indicator

In the last two years, several measures supporting the disadvantaged groups have been implemented. As a result, **in 2010**, according to EU-SILC³⁰ **the relative poverty rate reached the level of 21.1% as compared to 23.4% in 2008** (source: National Institute of Statistics and Eurostat). That means the reduction of the number of people living in poverty by 466 thousand persons.

We mention that there are no quarterly reports on the relative poverty rate³¹ (such as the employment indicators), the data resulting from the correlated analysis of the derived indicators, such as: ratio of average pension of public social insurance, and the average gross earnings, the ratio of the lowest salary earnings and average gross salary earnings.

In 2011, the analysis indicates a slight improvement of the relative poverty rate, reaching the level of 21.0%. Therefore, **for 2011, the National Forecast Commission estimated a moderate reduction of the number of people living in poverty by 500 thousand persons**³² as compared to 2008.

²⁹ *GD No 918/2011* amending *GD No 101/2002* on the establishment of research fellowships and postgraduate and postdoctoral training "Vasile Parvan" at the *Accademia di Romania in Rome* and "Nicolae Iorga" at the *Istituto Romeno di Cultura e Ricerca Umanistica* in Venice.

³⁰ EU-SILC was introduced in the period 2003-2005 based on the provisions of the *Regulation (EC) No 1177/2003 of the European Parliament and of the Council of 16 June 2003 concerning Community statistics on income and living conditions*. EU-SILC became the source of data to analyze the income distribution and social inclusion at the EU level. It is an instrument focused on analyzing the incomes, living, working and health conditions, demographic and education data making possible the assessment of the multidimensional issues of the social exclusion.

³¹ The poverty indicator represents the share in the total population of persons in households with disposable income per adult equivalent (including or excluding the value of consumption from own sources) below the poverty threshold – 60% of median disposable income per adult equivalent.

³² A more accurate estimation of the relative poverty rate shall be performed after the publication of the official data of the national census.

In the context of **social assistance system reform** implementation, the *Law No 292/2011 on social assistance* was published on December 20, 2011. The law introduced a unitary approach of the social assistance system and its components, namely the social benefit and social service systems, in order to increase the share of services over the social benefits; classification, granting criteria and the organization and administration of benefits and social services; regulation of contracting social services by private providers; regulation of the calculation and setting up the amount of social benefits based on a single indicator –social reference indicator used to determine the unemployment benefits. One intended to simplify the administrative procedures by setting up a single contact point for application, a single application form, and strengthening some social benefits – guaranteed minimum income, allowance for family support and the aid for home heating – focusing them on social categories placed at the highest risk of poverty and social exclusion.

On December 14, 2011, the cabinet approved *The Romanian Government Strategy for the Roma Inclusion 2011 – 2020*, aiming at including on the agenda of the central and local authorities some measures for increasing the social and economic inclusion of this minority.

The projects designed to reduce the social exclusion among children and young people are under implementation:

- To improve the quality of social services for children, MMFPS financed the purchase of eight apartments that can accommodate at least 64 children by *The Programme of national interest No 1 – Closing the old style institutions and establishment of rehabilitation centres, family houses and/or apartments*. For these eight apartments the furniture purchasing procedures were completed, and for other eight family type houses and two rehabilitation centres, MMFPS started the public procurement procedures for the commissioning of the execution contracts of the construction works;
- To integrate the children/young people with disabilities, within the project - *They should have a chance! – Support programme for social and professional integration of the persons with autism spectrum disorders*³³, 588 doctors, psychologists and psycho-pedagogues, specialists in the recovery of young people with autism spectrum disorders have participated in training courses, out of which 325 persons were certificated. 40 caring and counselling centres have been established in partnership with local public authorities, and they have been equipped with furniture and IT equipment. Also, the final version of the *National Strategy for social and professional integration of the autism disorders spectrum people* was drafted;
- To prevent the school drop out among children belonging to disadvantaged socio-economic communities, 32 guidance centres and resources for inclusive education were financed by the project *The Guidance and Resources Centre for Inclusive Education – comprehensive educational services to prevent and correct the school drop out*³⁴. The centres were established in 30 counties – North West region, South East region, South Muntenia region, South West Oltenia region and Center region and in Bucharest, districts 2 and 5. However, 82 persons have participated in the training courses, and 3,437 children received educational services within the project. Starting with January 23, 2012, the project was suspended for a period of three months, because the reimbursement applications were evaluated later and the payments were made with large delays by the Intermediate Body SOP HRD;

³³ The project is implemented by the Romanian Angel Apeel Foundation as a beneficiary, MLFSP as a partner in the project.

³⁴ Project implemented by the Save Children Organization as a beneficiary, MLFSP as a partner.

- To set up a standardized public system of the day-care system for children – 665 women were selected to be qualified for the occupation of babysitter within the project *Women for women – training and accreditation program for women in the occupation of babysitter employed in the public system*³⁵. Three training sessions have been already initiated in Bucharest.

As regards **the active social inclusion**, by February 24, 2012, ESF financed 60 projects facilitating the access of the persons belonging to vulnerable groups to the labour market. The payments amounted 228.86 million lei (about 32.60% from the total value of the contracts), 6,855 persons belonging to vulnerable groups participated in the qualification/retraining and professional conversion programmes, out of which 1,483 Roma, 1,070 disabled, 19 young people leaving the public child care system, and 685 drug and alcohol addicted persons. The share of participants to the training/retraining programmes which obtained the certification was 66%.

The draft *Law on social economy* is at the final stage of elaboration. On December 14, 2011, the project has been published on the MMFPS website, in order to be submitted to the public consultation. MMFPS postponed again the completion of this action, for the QIV/2012, in order to achieve the consultation of all stakeholders and to follow the chronological order of legislative procedure required for the adoption of the normative act. The postponement of the action deadline was caused by the large number of the stakeholders involved, which called for the extension of the consultation period.

By February 24, 2012, MDRT contracted 30 projects conceived to **improve the quality of the social services through the rehabilitation of the social infrastructure**, including the **social housing** for disadvantaged persons³⁶. The payments amounted 5,118 million lei, which represents only 4.7% of the total value of the contracts.

One single project intended for rehabilitating and modernising the day nursery for elderly persons in Alba Iulia is finalised, having a lodging capacity of 100 persons.

Analysing the regional distribution of this type of projects, one could notice that most of them are located in the following regions: North West region – eight contracts, North East region – seven contracts, Centre region – six contracts. MDRT contracted one project on rehabilitating the social housing, located in the North West region.

By February 24, 2012 with regard **the rehabilitation / modernisation / equipping of the health services infrastructure**³⁷ 9 health units were finalized rehabilitation, the payments amounting 34.614 million lei. Considering the finalised projects, the rehabilitated health units stand for 17% of the total value allocated under Regional Operational Programme (ROP). Most of the finalised projects are located in the North West region - three rehabilitated health units, North East and South East regions - two rehabilitated health units each, and in West and South West regions - one rehabilitated health unit each.

The project intended to the rehabilitation of the *Emergency Hospital from Valcea County* was contracted by ROP on September 9, 2011, is included in the *List of the priority projects financed by the Structural and the Cohesion Funds*. Although the implementation pace of this project is very low (3%); one estimates that, after the hospital rehabilitation, the number of persons benefiting by the medical services will increase by 12.5%.

³⁵ Project implemented by the Romanian Angel Apeel Foundation as a beneficiary and MLFPS as a partner.

³⁶ ROP, KAI 1.1. - *Integrated urban development plans*

³⁷ ROP, KAI 3.1. - *Rehabilitation, modernization and equipment of health service infrastructure*

By February 24, 2012, **with regard rehabilitation/ modernisation/ equipping of the social services infrastructures**³⁸ 26 social centres were finalized, the payments for these centres amounting to 30.527 million lei. As compared to the target proposed in ROP for rehabilitated social centres, the number of finalised projects represents approximately 9.6%. Most of the finalised contracts are located in the North East region – eight contracts, South East region – four contracts, Centre and North West region – three contracts each.

By February 24, 2012, **with regard improving the equipment of the operational units for public safety interventions in emergency situations**³⁹ 40 mobile units (within a single finalised contract) were equipped. The payments made for these projects amounted 29.197 million lei. As compared to the target proposed in ROP for the equipped mobile units, the number of the finalised projects represents only 8%. Considering the regional distribution of the projects, one may noticed that two contracts on the improvement of the operational basis of SMURD (Emergency Mobile Service for Resuscitation and Disentanglement), consisting of purchasing 98 equipments, are located in North East region.

By February 24, 2012, 38 pre-university school units dedicated to the **rehabilitation, modernization, development and equipment of pre–university, university education and continuous vocational training infrastructures**⁴⁰ were rehabilitated, representing only 29.23% as compared to the target proposed in ROP. The payments made for these projects amounted 65.42 millions lei. Analysing the regional distribution of this projects, we may notice that most of the finalised contracts are located in South East region – twelve rehabilitated school units and North West region – ten rehabilitated school units.

As regards the *National Programme for Infrastructure Development*, MDRT resumed the public procurement procedure on the construction works for 690 investment units dedicated to early education and child care institutions (nurseries, kindergartens). For these investments, MDRT approved only construction type-projects (kindergartens): for a group of children, two groups of children, and for three groups of children, respectively.

Ministry of Health (MS) carried on **the national healthcare system reform**. At the national level, in order to improve the **access to the healthcare services for the vulnerable persons**, 18 preventive and curative interventions for maternal and children health are under implementation on disease prevention and early detection and health maintaining, disease cure, medical complication prevention or at least pain relieve, for which 39.863 million lei was spent. Moreover, 146 patients have received the necessary support to ensure their treatment abroad and 650,722 pensioners (with incomes below 700 lei/month) benefited by the *Programme for compensation by 90% of the reference price of drugs*. The *Strategy on primary healthcare assistance and medical care services in rural areas* for the period 2012-2020 was completed by the consultant (Oxford Policy Management) on January 24, 2012 (the initial deadline was QIV/2011), accordingly MS will start the implementation of the measures proposed by the Strategy.

In order to **render more efficient the healthcare system**, the *Integrated Information System* and *National Health Card* programmes are under implementation; and the *Electronic Patient Card, e-prescribing* and the *Application of decentralization in the health system* projects are to be implemented throughout 2012. In order to reorganize the hospitals and render them more efficient, 465 hospitals

³⁸ ROP, KAI 3.2. - *Rehabilitation, modernization, development and equipment of social service infrastructure*

³⁹ ROP, KAI 3.3. - *Improving the equipment of operational units for public safety interventions in emergency situations*

⁴⁰ ROP, KAI 3.4. - *Rehabilitation, modernisation, development and equipment of pre-university, university education and continuous vocational training infrastructure*

were classified, the legislation on multifunctional centres setting up was approved, and the primary care and ambulatory care system was put into practice by creating a multifunctional centre and other 192 permanence centres.

As for **upgrading and modernizing the infrastructure of healthcare service providers and for ensuring the medical apparatus/equipment and specific vehicles**, the following measures have been taken: (i) investment to the Regional Institute of Oncology in Iasi and Timisoara, and to other six hospitals, (ii) rehabilitation of obstetrics and neonatology departments in 21 hospitals, (iii) purchase of medical equipment for emergency medical units, for the departments providing maternal and newborn services and for departments of cardiology and (iv) purchase of 203 ambulances and a helicopter.

CONCLUSIONS

In the field of **strengthening macroeconomic and financial sector's stability**, significant progress was made despite the difficult domestic and international economic context; yet, the persisting uncertainties on the financial markets maintain the challenges from these areas.

Concerning **the reform of the labour market, education and social assistance systems**, progress was recorded mainly over legal-related matters, by adopting the *Labour Code*, the *Law on social dialogue*, the *Law on national education* and the *Law on social assistance*. By adopting the *Law on social assistance*, the social benefits are to be focussed on the social categories in the highest risk of poverty and social exclusion. At the same time, the law is expected to lead to a decrease of state aid dependency, by active participation of beneficiaries to custom-tailored support programmes.

The modification and completion of the *Law No 76/2002 on unemployment insurance system and the employment stimulation* is under adoption procedure, considering the effects of **the active employment measures** on the employment rate evolution. Analysing the outcomes registered as a result of the implementation of projects dedicated to increase the access on the labour market of the long-term unemployed, the efforts should be focussed on vulnerable groups and youth, especially on the low-skilled ones.

Although the number of persons participating in **vocational training** programmes increased, a special attention should be paid to correlate the programmes' objectives to the skills asked on the labour market.

All subsequent legislation acts planned for the first year after the adoption of the *Law on National Education* have been adopted. These pieces of legislation target access to education, quality and efficiency of educational process, opening education to other milieus (economic, social, cultural, etc.).

To prevent and combat *early school leaving*, the Ministry of Education issued methodologies for the programmes *School after school* and *Second chance*, while the implementation of annual social support programmes has continued for the benefit of students from disadvantaged groups. The ministry has also initiated the reform of school curricula at all levels through a *Reference framework curricula* which is under elaboration.

In order to increase the *share of tertiary education attainment*, the universities ranking system and the classification of higher education curricula both stipulated in the *Law on National Education* were completed in order to make Romania's universities more competitive. Efforts are made to ensure a better management of higher education scholarships and to link higher education to labour market needs.

Progress was also made in revising the legislative framework in the field of **research, development and innovation**, by introducing a new system of evaluation, classification and certification of R&D organizations, in correlation with a new system of institutional funding. In order to stimulate the growth of private sector investments in RDI, the information package and the minimis state aid scheme regarding the innovation vouchers aimed at accelerating the technological transfer between research institutes and SMEs have been approved. Promoting the strategic projects *Extreme Light Infrastructure (ELI)* and *International Centre for Advance Studies Danube - Danube Delta - Black Sea* contributes to the consolidation of the European/ international dimension of RDI. A special attention must be paid to the process of elaborating the *National Innovation Strategy*.

In order to **tackle climate change and promote sustainable development**, the inventorying, monitoring and reporting process for greenhouse gas emissions was improved and significant results

were introduced in Romania's Greenhouse Gas Inventory 2012. Still, the efforts should be intensified in the field of water management infrastructure in order to achieve the targets set out in the *Treaty concerning the accession of the Republic of Bulgaria and Romania to the European Union*.

In order to reach the national target in the field of **renewable energy sources** (RES), progress has been registered in implementing the *green certificates scheme* (881 MW commissioned) and in financing investments through *the Environment Fund* (51 projects).

In the field of **energy efficiency**, the state aid support scheme to promote high efficiency cogeneration became operational and 37 companies benefited of this support scheme. Works for the rehabilitation of centralized district heating systems have been achieved in the framework of the *Programme District Heating, Heat and Comfort*.

Special attention should be paid to the investments projects financed through EU funds that are aimed at modernizing or building new electricity and heat generating capacities from RES and at modernizing facilities and equipment which lead to energy savings. The urgent adoption of the *National Energy Efficiency Programme* is needed, as well as the budgetary resources for its financing.

Table 1: National targets for Europe 2020 as of March 15, 2012

Europe 2020 objectives	RO 2020 target value / Current Value
1. Raising the employment rate of the population aged 20-64 to at least 75%	70% 2011: 62.3% (Q4 – INS statistics)
2. Investing 3% of GDP in research and development	2% 2011: 0.48% GDP ⁴¹ (0.30% - public sources + 0.18% private sources)
3. Energy and climate change (20/20/20)	
Reducing greenhouse gas (GHG) emissions by at least 20 % compared to base year 1990	20% 2010 ⁴² : - reducing GHG emissions (excluding LULUCF ⁴³): 51.48%; - reducing GHG emissions (including LULUCF): 56.55%.
Increasing the share of renewable energy in final energy consumption to 20%	24% 2011: estimated values for 2 working hypothesis: - taking into account the biofuel consumption: 23.3%; - ignoring the biofuel consumption: 22.2 %.
Increasing energy efficiency ⁴⁴ by 20%	19% (10 Mtoe, expressed as a reduction of the primary energy consumption) 2011: 7.4 Mtoe (17.3%) as compared to PRIMES 2007 projections
4. Education	
Reducing the share of early school leavers to 10%	11.3% 2011: 16.7% (Q3 – INS statistics)
Increasing the share of population aged 30-34 having completed tertiary education or equivalent to at least 40%	26.7% 2011: 20.5% (Q3– INS statistics)
5. Social inclusion promotion, especially by poverty reduction⁴⁵ - reducing by at least 20 million the number of people at risk of poverty and social exclusion	580,000 people 2011: CNP estimated, in December 2011, a reduction of the number of people at risk of poverty by 500,000 ⁴⁶ , as compared to 2008.

⁴¹ Estimation made by ANCS, based on 2011 value of GBAORD (Government Budget Appropriations or Outlays for Research-Development activity) according to *Research and development in Romania – Statistical data collection* - (2005 - 2010) INS 2011 and assuming that the share of private sources is the same as the 2010 one, namely 0.18% of GDP, according to *Statistical Yearbook of Romania*, INS 2012.

⁴² According to reporting obligations assumed by ratifying the *United Nations Convention on Long Range Transboundary Air Pollution (LRTAP Convention)*, the final national inventory of GHG emissions for the year n-2 is prepared and reported in the year n

⁴³ LULUCF - land-use, land-use change and forestry

⁴⁴ This objective is an indicative one for the Member States

⁴⁵ This value corresponds to the *relative poverty rate indicator*. The EPSCO Council on June 8, 2010 proposed two additional indicators in order to reflect other poverty related issues (*material deprivation and households with no employed members*).

⁴⁶ A more accurate estimation of the relative poverty rate can be achieved only after the publication of the national census official data.