Government of Romania

United Nations System in Romania

MILLENNIUM DEVELOPMENT GOALS

REPORT

Bucharest, 2003

Foreword by the Prime Minister of Romania

Romania's objective of developing a modern, inclusive, European society will take time and commitment. Quick results – which we have come to expect from policy makers – are not an option when the aim is to achieve decisive changes in the social fabric of society. These changes – like reversing the social disintegration that comes with deep-rooted poverty - require a stable, pro-active policy approach over a greater time horizon.

The Millennium Development Goals Report embodies this approach. It outlines a series of precise targets in critical development areas to be achieved by 2015. Romania, having achieved over the past decade a long and painful series of economic and social reforms, now stands prepared to tackle this ambitious longer-term millennium strategy.

Romanian society today is making unprecedented efforts to overcome the legacy of its adverse history. This is a continuous challenge to the perseverance of our collective and individual commitment. The Millennium Development Goals Report is a clear-cut instrument for harnessing skills and sustaining change, for generating solidarity between citizens and governments around a vision of the prosperous society we all want to be part of.

Adrian Năstase
Prime Minister of Romania

Foreword by the UN Resident Coordinator in Romania

At the September 2000 Millennium Summit "The Role of the United Nations in the 21ˢᵗ Century", 191 nations – including Romania – adopted the Millennium Declaration. This landmark document defines the peace, security and development agenda for the 21ˢᵗ Century. The goals and targets of the Millennium Declaration enable governments to better monitor human development, enhance the mobilization of national resources and strengthen partnerships for development. Today, the Millennium Development Goals (MDGs) are the framework agreed-upon internationally for monitoring progress in development.

Romania's first Millennium Development Goals Report (MDGR) gives new direction and a strong impetus to the national development agenda. This report's formulation was a success story. It engaged eight ministries, resident and non-resident United Nations agencies, international donor community and over 20 non-governmental organizations.

The main merit of Romania's MDGR is its potential to be a catalyst for improvement. If used effectively, it will be a tool for accelerating progress towards national development objectives by establishing quantitative targets in critical areas, such as poverty alleviation, health, education and the environment. Equally significant, the report highlights obstacles to achieving established targets, as well as the actions and resources required for meeting the targets. All of this makes it a valuable instrument for policy makers.

With the MDGR's completion, a new stage in Romania's implementation of the Millennium Declaration begins. It is now essential that citizens be informed of the report's objectives. They need to be aware of how their lives will change for the better – at what pace and along what path. They must also fully understand the problems confronting the communities in which they live, and how they can be part of solving them. This document should become familiar to everyone concerned with improving living conditions in Romania, a country yet to reach its great potential: Members of Parliament, civil society and professional associations, representatives of international organizations and the business community.

Ultimately, it is crucial that this baseline report be followed by practical measures leading to real changes in people's lives. The UN system in Romania will continue to assist the Romanian Government in its work dedicated to this most important goal.

Soknan Han Jung
UN Resident Coordinator
UNDP Resident Representative

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List of acronyms

AMIGO	Households Labour Force Survey
ANISP	National Association of Romanian Internet Service Providers
ANRC	National Regulatory Authority for Communications
ARPIM	Romanian Association of Medicine Producers and Importers
ARV	Antiretroviral
CASPIS	The Anti-Poverty and Promotion of Social Inclusion Commission
CCSSDM	Computing Centre for Health Statistics and Medical Documentation
CNLAS	National Anti-AIDS Commission
DOTS	Directly Observed Treatment Short Course
DSM	Demand Side Management
EC	European Community
EEC	European Economic Community (in 1993 the name was changed to European Community)
EIB	European Investment Bank
EO	Emergency Ordinance
ETSI	European Telecommunications Standards Institute
EU	European Union
FONPC	The Federation of Non-Governmental Organizations active in Child Protection;
GD	Government Decision
GDP	Gross Domestic Product
GEF	Global Environment Facility
GO	Government Ordinance
GSM	Global System for Mobile Communications
ICCV	Institute For Quality Of Life
ICT	Information and Communications Technology
IES	Institute for Educational Sciences
IGCTI	Inspectorate General for Communications and Information Technology
ILO	International Labour Office
IMF	International Monetary Fund
IOMC	Institute for Mother and Child Care "Alfred Rusescu"
IRQL	Institute for the Research of the Quality of Life
IS	Information Society
ISPA	Instrument for Structural Policies for Pre-Accession
IST	Information Society Technologies
IT	Information Technology
ITU	International Telecommunication Union
IUDs	Intrauterine Devices
JI	Joint Implementation
LEONARDO	The European Community's Vocational Training Programme
MAFWE	Ministry of Agriculture, Forestry, Waters and Environment
MCIT	Ministry of Communications and Information Technology
MDG	Millennium Development Goals
MERY	Ministry of Education, Research and Youth
MH	Ministry of Health
MLSSFA	Ministry of Labour, Social Solidarity and Family Affairs
MYS	Ministry of Youth and Sport
NAE	National Agency for Employment
NAPE	National Action Plan for Employment
NATO	North Atlantic Treaty Organization
NBR	National Bank of Romania
NHDR	National Human Development Report
NHIH	National Health Insurance House
NIS	National Institute for Statistics
OECD	Organization for Economic Cooperation and Development
PAEM	Programme of Active Employment Measures
PC	Personal Computer
PECA	Protocol on European Conformity Assessment
PHARE	Assistance for Economic Restructuring in the Countries of Central and Eastern Europe
PNAinc	National Plan for Poverty Alleviation and Promotion of Social Inclusion
PPP	Purchasing Power Parity
RICOP	Enterprise Restructuring and Employment Conversion
SAPARD	Special Program of Pre-Accession for Agriculture and Rural Development
SMEs	Small and Medium-sized Enterprises
SSRH	Study on Sexual and Reproduction Health
TVET	Technical and Vocational Education and Training
UN	United Nations
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNDP	United Nations Development Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development
WB	The World Bank
WHO	World Health Organization
WTO	World Trade Organization

Goal 1: Reduce severe poverty

Target 1:   *Halve the severe poverty rate by 2009, as compared to 2002*

Indicator 1: *Severe poverty rate*

1. Trends in the 1990s and the current situation

The global goal as concerns poverty is to "**Eradicate extreme poverty and hunger**". The USD 1 poverty line (at PPP - purchasing power parity) is used to compare the poorest countries of the world. If this calculation method is applied, the poverty rate in Romania is very low (under 1%), while malnutrition - one of the most distressful symptoms of poverty - is a marginal phenomenon. The declining standard of living during the transition period was not so dramatic as to lead a large proportion of the population to a situation in which people could not ensure even their own basic sustenance. On the contrary, **severe poverty** affects a significant proportion of the population, therefore it was decided to country-tailor the global goal and establish the goal as **Reduce severe poverty**, having as target to **Halve the severe poverty rate by 2009, as compared to 2002**.

The Romanian Government's commitment to develop a coherent and integrated social policy to address poverty and prevent social exclusion has materialized in recent years in the formulation of critical laws, enlarging the social protection system. The establishment of the Anti-Poverty and Promotion of Social Inclusion Commission (CASPIS) was also an illustration of these concerns. Currently, the Commission coordinates the implementation of the Government's social policy and handles research methodologies for poverty and social exclusion.

The methodology designed by experts from CASPIS, the National Institute of Statistics (NIS), the University of Bucharest and the World Bank makes use of an absolute poverty rate, more relevant for a country going through structural changes and with a high percentage of poverty. According to this methodology, the severe poverty rate[1] was almost 11% in 2002, decreasing over the last two years after 2000[2]. However, the poverty rate could not be diminished under the level of 1995-1996.

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[1] The percentage of population living under the severe poverty line, measured according to the consumption expenses from AIG and ABF databases.

Figure 1. Dynamics of the severe poverty rate

The severe poverty rate in rural areas is at least twice as large as the severe poverty rate in urban areas for each analysed year, the distance between these values being constant. Although only 47% of the population live in rural areas, 73% of the people affected by severe poverty come from this areas.

Figure 2. Dynamics of the severe poverty rate by residence
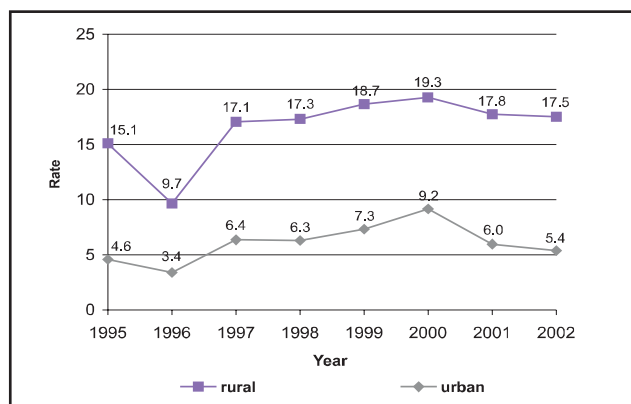
The poverty distribution by regions indicates that the country's poorest region is clearly the Northeast (77% above the national average in 2002), while the least poor region is Bucharest, where the severe poverty rate is only 2%. These are the extremes, while the other regions have a more or less average poverty rate (Figure 3). Yet, the Southeast is poorer than the West, which continues to be one of the least poor regions. The pattern of the poverty rate is almost identical for different regions, while the disparities remain constant during the period under analysis.

Figure 3. Dynamics of the severe poverty rate by regions
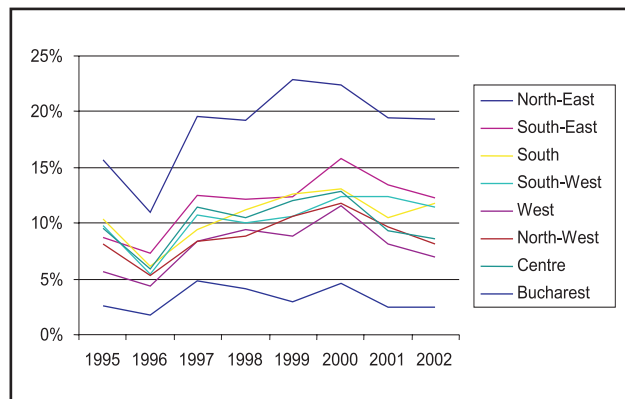
In 2002, the Roma population was almost 5 times more exposed to severe poverty and more than 50% of Roma ethnics were affected by severe poverty. Most poor people live in households whose main provider graduated secondary or vocational school at best, the highest rate being registered for those households in which the main provider did not graduate any form of education (40%). In recent years the risk of poverty decreased for those without any form of education and increased for the vocational schools' graduates, for whom there are less and less available jobs.

Throughout the entire period, the households with a high risk of poverty were those in which the main provider works in the informal economy or does not work at all. The household categories facing a high risk of poverty are those whose head is a self-employed person working in the farming sector (32%), or is unemployed (24%). Households of unemployed single mothers in particular are facing a high risk (43%).

A criterion that classifies households in categories with extremely uneven poverty rates is the number of dependent children: five or more children households had a severe poverty rate 110% bigger than the average. The risk of poverty is also associated with single-parent families. Although these families represent only 11% of the total number of families, their risk of being in poverty is up to 2,5 times higher than per total.

The size of the household and the poverty rate according to the age and number of children in the household are variables that point to approximately the same group of households as being exposed to severe poverty. While for other age categories the severe poverty rates are under 10%, for the under 14 and under 24 years old segments of the population this rate amounts to approximately 15%.

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[2] The value discrepancy is statistically significant only in 2001, as opposed to 2000.

2. Prospects for achieving the target

Sustaining economic growth, applying pro-poor policies, working towards a modern society with a high level of social cohesion and a competitive economy could help reduce the severe poverty rate by 2009 to 5.4% (Figure 4).

Figure 4. The expected evolution of the severe poverty rate
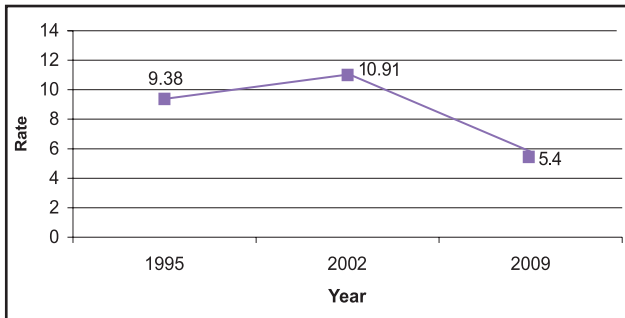
Source: CASPIS/WB 2003 methodology

World Bank prognoses show that the severe poverty rate could reach 5,42% in 2007 under conditions of constant GDP growth, estimated by IMF at 4 % annually and equally distributed in consumption.

3. Challenges

- The risk factor of the economic strategy and the deficit in social policies;
  - The perpetuation of certain abnormalities of an irrationally developed economy during the communist period and the appearance of other major structural distortions not yet corrected: underdeveloped infrastructure, lack of financial discipline, the division of agricultural property, legal instability, and an unattractive business environment;
  - Throughout this period, a permanent deficit in social policy as to needs and even to possibilities was registered: insufficient financial effort to sustain social policies, unequal financing, the absence of programmes intended for solving particular social issues, passive social policy, and the lack of active programmes for job creation. At present, the social protection system is designed, but some of its components are still under implementation;
- The possible outbreak of social crisis due to rising prices for certain basic goods and services and the adverse economic impact among those sectors already hit hard;
- The poverty trap, when a consumption and income deficit lead to the loss of contact with the labour market and social exclusion;
- Social disintegration (the homeless, abandoned children and adolescents under the risk of being trafficked and the undocumented);
- The decrease in the number of paid jobs and, on the whole, of the occupational rate, due to early retirement, unemployment and/or working in the black market;
- Deterioration of the pension system due to a significant decrease in the number of taxpayers and to the increase in the number of retired persons;
- Chronic under-employment, poor technological endowment and severe under-capitalisation in agriculture, the area with the majority of self-employed persons (most farmers practice survival agriculture, without a chance to enter a prosperity cycle); and
- A significant part of the Roma minority is caught in the trap of multiple deficits in personal and family resources, such as severe lack of income, homelessness, lack of education, no land in the case of country dwellers, massive involvement in grey/underground economic activities and being undocumented.

4. Factors contributing to meeting the target

- Sustained economic growth will constantly improve the standard of living.
- The establishment of an adequate legal framework, to muster up the resources of the society to fight poverty and social exclusion;
  - Law on the National System for Social Assistance;
  - Law on the Guaranteed Minimum Income;
  - Law on preventing and fighting social marginalization;
- Mobilising the present Government to fight poverty, through the Anti-Poverty and Promotion of Social Inclusion Commission and the adoption, by Government Decision, of the National Plan for Poverty Alleviation and Promotion of Social Inclusion (PNAinc);
- Harmonising the national policy to fight poverty with the UN global frame work and the policy of the EU, by including the Millennium Development Goals and the goals of the Community Action Plan in PNAinc; and
- Gradually increasing public spending in key human development areas.

5. Priorities in resource allocation

- Financially support the system of the guaranteed minimum income and commit resources for social assistance to acknowledge people living below the severe poverty line;
- Increase the percentage of active programmes promoting stable employment;
- Eradicate the most extreme situations of severe poverty (lack of a minimum income and of a home) and intolerable social situations (street children);
- Increase resources for social policy, up to 25% of GDP by 2010;
- Develop and implement systematic policies to solve serious issues, such as children abandoned in foster homes, human trafficking, victims of domestic violence, children neglected or abused by their family and juvenile delinquency;
- Create a national network of social dwellings for the homeless;
- Strengthen capacities of the poor population, by promoting targeted measures in the area of early child development, expanding coverage at the secondary level and increasing the degree of coverage of primary/secondary health services for the poor;
- Implement the national system for social assistance;
- Increase support to County Anti-Poverty and Promotion of Social Inclusion Commissions and ensure the implementation of County Anti-Poverty and Promotion of Social Inclusion Plans; and
- Design and implement a national system to monitor the poverty situation.

Halve the consumption deficit of the severely poor population by 2009, as compared to 2002, and reduce social polarization

Indicator 2: *Consumption deficit of the severely poor population*

1. Trends in the 1990s and the current situation

Simply recording the poverty rate does not give an indication as to how poor are the people living under the poverty line. Therefore, further analyses are required. An important indicator for the analysis of poverty configuration is the consumption deficit or the average distance between consumption and the line measuring the poverty depth (Figure 1).

Figure 1. Dynamics of the average consumption deficit
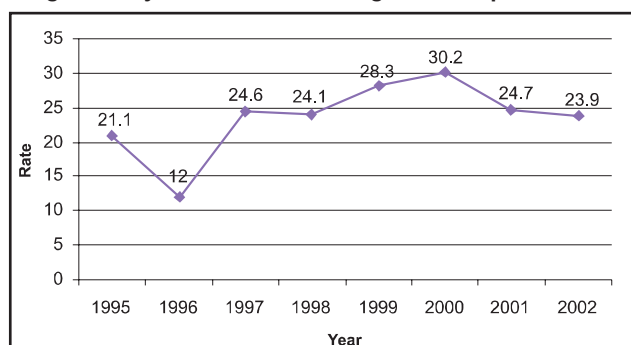
Source: CASPIS/WB, 2003 methodology

The consumption deficit is higher in rural areas and in the Northeast region. Across different sectors, the groups that register a more severe consumption deficit are:
- The Roma minority, which has the greatest consumption deficit of all categories, almost 10 times higher than the total population;
- Farmers involved in small-size agricultural activities;
- Households in which the main provider did not graduate any form of education.

During the period 1995-2002 consumption in the first quintile (the poorest 20%) has averaged around 9% of the total consumption, while consumption in the fifth quintile (the richest 20%) has averaged more than two thirds of total consumption.

The average percentage of alimentary expenses in the total consumption is much larger for the poor and increased per total population during the economic recession. For the first quintile (the poorest 20%) the percentage in the alimentary consumption is twice the one for the fifth quintile (the richest 20%).

2. Prospects for achieving the target

An improved standard of living of the population as a whole will have a positive impact on the consumption level; however, this will be less obvious for the severely poor population. Well-targeted social policies will play a key role by having a positive impact on the consumption and, in general, on the quality of life of this disadvantaged category, also reducing the risk of social exclusion (Figure 2).

Figure 2. The expected evolution of the average consumption deficit in severely poor population
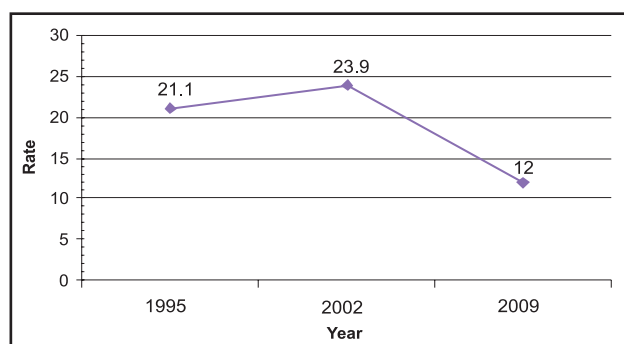
Source: CASPIS/WB, 2003 methodology

3. Challenges

- Disproportionate access of a small segment of the population to resources, growing disparities and inequalities and the loss of key resources (dwelling);
- Continuous reduction or loss of income in the first 10 years after the end of the communist regime, leading to loss of assets and deterioration of living standards;
- The increasing wage polarization and the occurrence of wage poverty;
- Rapid erosion of social benefits coupled with an increased number of dependents;
- Different patterns of school attendance between population sectors, affecting the chances for future integration into the labour market (non-enrolment and school abandonment before the completion of secondary school mainly occur among the poor and especially in rural areas, rendering improbable their coming out of poverty);
- The pre-existence of regional development disparities, which deepened with the initiation of a decentralization process insufficiently supported technically and financially;
- Disparities among population groups in terms of access to health services.

4. Factors contributing to meeting the target

- Raising awareness on the need for reform, while simultaneously building a more inclusive society;
- Housing and shelter policy for those population categories facing high risk of exclusion (evictions) because of their inability to pay and youngsters no longer sheltered in foster homes;
- Strategic decentralization policy to build local capacities for social policy;
- Partially subsidising some components of consumption, such as *economats*[3], health, prescription drugs and programmes such as "Milk and croissant" for children;
- Correcting imbalances in the pension system and launching its rehabilitation; and
- Implementing programmes designed to create job opportunities and stimulating employers to join programmes of temporary employment of labor force by granting low interest loans differentiated according to the county's unemployment rate.

5. Priorities in resource allocation

- Invest in infrastructure, rehabilitate networks that produce public utilities and increase the dwelling fund;
- Reduce the social impact of economic reform, focusing on increasing the quantity and quality of employment opportunities;
- Successfully completing the institutional reform of the social protection system;
- Decentralize social support, mobilize community resources, reduce existing territorial disparities by revitalizing disadvantaged areas;
- Motivate community forces and partnerships; develop a culture of social partnership; develop the capacity of local authorities to address social issues and to develop, implement, monitor and evaluate social policies and programmes;
- Implement the national strategy to improve the lives of the Roma population;
- Increase financing for health and education; ensure universal access to a series of essential services: a minimum package of health services, primary and secondary school education.

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[3] Special stores with subsidised products for disadvantaged categories of population.

1. Trends in the 1990s and the current situation

One of the most difficult and pressing problems, with a particularly powerful impact on the functioning of the labor market, is the transition of young people from school into the labour market. This is because adults tend to keep most jobs, more so in the event of an economic recession. Moreover, lack of work experience, often seen as a requirement upon employment, makes the 15-24 years of age group vulnerable to be adversely affected by unemployment.

When unemployment is analysed by age groups, it shows that it has most affected young people between 15 and 24 years of age (see Table 1 and Table 2 for statistical data on the youth unemployment rate, by gender, age groups and residence). Thus, the ILO youth unemployment rate is 3 times higher than the total ILO unemployment rate.

Table 1. Evolution of the ILO unemployment rate of young people, by gender, between 1994 and 2001 (%)

	1994*	1995*	1996	1997	1998	1999	2000	2001
Total 15-to-24-year-olds age group	22.5	20.6	20.2	18.0	18.3	18.8	18.6	17.5
Male	20.2	18.8	17.5	15.9	17.3	19.0	19.6	17.6
Female	25.7	23.1	23.9	20.7	19.7	18.6	17.2	17.4

*For 1994 and 1995, the minimum age is 14 years old.
Source: Households Labour Force Survey (AMIGO), NIS 1995, 2001

Table 2. ILO unemployment rate by age groups, gender and residence (%)

	Unemployment rate Total		Unemployment rate by age groups			
			15 to 19*		20 to 24	
	1995	2001	1995	2001	1995	2001
Total	8.0	6.6	26.8	21.0	17.2	16.3
Male	7.5	7.1	24.4	21.6	15.5	16.2
Female	8.6	5.0	30.3	21.1	19.3	16.4
Urban	11.4	10.4	49.6	47.7	24.3	24.5
Rural	4.7	2.8	15.7	10.9	11.1	7.7

* For 1995, the minimum age is 14 years old
Source: AMIGO, NIS 1995, 2001

2. Prospects for achieving the target

In the long run, estimations on youth unemployment cannot be done with precision due to various factors. Romania belongs to the group of countries preparing for accession to the European Union. This involves a continuous process of economic restructuring, which in turn implies changes in the free movement of labour. As a consequence, employment trends will be affected. However, the goal of decreasing the unemployment rate, particularly among young people, will definitely remain a policy priority of future governments regardless of their political orientation.

3. Challenges

A key issue for young people trying to enter the labour market is the lack of proper qualifications and/or experience. Another aspect to note is that, while more and more young people acquire the necessary qualifications and experience to enter the labour force, the number of jobs does not increase accordingly. Often young people have to compete in the labour market with highly qualified professionals and are thus forced to accept lower paid jobs. Thus, many young people often start their employment in marginalized sectors, inferior to their qualification. Others may enter the unprotected labour market (the black/gray labour market), a fact that isolates them from society, before they start their professional and family life.

4. Factors contributing to meeting the target

The specific goals to prevent and combat unemployment among young people have been set by the National Agency for Employment (NAE), through the first Guideline of the National Employment Action Plan, designed by the Ministry of Labour, Social Solidarity and Family Affairs for the 2002–2003 period. The National Employment Action Plan was formulated in accordance with the European employment strategy (EU Negotiation Chapter 13). Against this backdrop some key measures need to be taken:

- Increase young people's economic participation through initiatives such as business incubators targeting young entrepreneurs;
- Ensure equal opportunities to all young people during their education and restructure youth education and training systems;
- Facilitate suitable school programmes, the integration of young graduates into the labour

market, with a larger orientation towards practical skills;

- Involve more actively the private sector in the planning, managing and financing of the education and vocational training systems;
- Pay particular attention to certain marginalized groups of young people that access the labour market with more difficulty, for example disabled young people; and
- Accelerate reform and carry out economic restructuring, both at the sector level and at the technological level because these have been proven to be effective means to integrate young people into the economy.

Law No. 76 on unemployment insurance and on employment stimulation came into force in 2002. The law has several preventive and proactive measures that have a direct bearing on the employment of young people:

- Grant employers fiscal incentives (reduce their contribution to the budget for unemployment insurance) if they hire unemployed people for a period of at least 6 months;
- Reward employers that employ young graduates for an unlimited period of time by a monthly sum equaling one gross minimum wage per economy, for a period of 12 month, for each employed graduate; the employers that hire disabled graduates receive a

monthly sum which represents 1.5 gross minimum wage per economy, for a period of 18 months;

- Implement career counselling and information services;
- Stimulate job creation by granting loans from the budget for unemployment insurance;
- Target youth within internationally funded projects such as Leonardo (the European Community's Vocational Training Programme), PAEM (Programme of Active Employment Measures), RICOP (Enterprise Restructuring and Employment Conversion), and PHARE (Assistance for Economic Restructuring).

5. Priorities in resource allocation

The measures to achieve the objectives of above are supported from national resources (i.e. the unemployment insurance budget, the education budget), as well as from foreign resources: WB programmes, EU financed programmes - PHARE, SAPARD etc.

Resources from the national budget or international donors should be primarily directed to sustain the implementation of the provisions of the National Employment Action Plan and of Law No. 76.

1. Trends in the 1990s and the current situation

In EU member states, policies for agricultural producers represent key mechanisms to support and protect the producers. The period from 1991 to 2002 can be subdivided in Romania into 4 periods with respect to the state assistance policies:

- 1991-1992: State assistance came in the form of differentiated prices for the processors in the food industry sector;
- 1993-1996: This period saw an expansion of state assistance for the agricultural producers and animal breeders. The main types of assistance granted within this period were: *premiums* included in the purchase prices, received by the agricultural producers for cow milk, live animals and poultry; *premiums* included in the purchase prices, received by the agricultural producers for wheat, corn and barley; *subsidies for imported feeding stuffs* and for covering the differences of the exchange rate and of the interest rates associated with the foreign credits granted for the imports of feeding stuffs; and *allowances* for improving the fertility of agricultural lands;
- 1997-2000, when the approach changed and the focus moved into direct support of agricultural producers. Since 1997, loans with subsidised interest rates no longer used NBR sources and the specified aids were included in the budget of the Ministry of Agriculture, Forestry, Waters and Environment[4], while the stress was on increasing the investment capacity;
- 2001-2002: by EO No. 30/2001, the support offered to agricultural producers acquired a different shape, consisting in ROL one million (approx. 30 USD) for each hectare of cultivated land. By 2002, the assistance measures included: advance payments, incentives for the milk delivered to the processors, subsidies for animal breeders in order to increase meat production and the number of animals, as well as covering 55% of the purchase prices of agricultural machinery.

[4] In 1997, "Ministry of Agriculture, Food and Forestry".

2. Prospects for achieving the target

In the future, the Government's assistance policy for the agricultural producers will aim to:
- Develop viable and efficient farms following the European model;
- Support the agricultural producers from economically or socially underprivileged areas;
- Improve the rural infrastructure of agricultural production, so as to create opportunities for an increase of the agricultural producers' income;
- Initiate programmes for laying the foundations of organic farming in pilot areas;
- Reach minimal performance parameters in view of the integration into the EU;
- Establish support systems in accordance with the EU System, starting with 2007.

3. Challenges

After analysing the Romania's assistance policy for agriculture during the transition period, it can be concluded that the volume of subsidies in the agricultural sector was large and that it underwent wide variations according to the implementation mechanisms, some of them inefficient and unsustainable. Romanian agriculture is still poor, mainly because:
- Most of this assistance was intended for downstream agriculture, owned mainly by the state;
- Inefficient state farms were often subsidized, and in many cases the value of the granted subsidies was higher than the value that these farms could have brought;
- In general, export was restricted, while protectionism policies were rarely consistently implemented;
- The exchange rate policy overestimated the national currency.

4. Factors contributing to meeting the target

Since 1997, the Government's agricultural policy has had two key goals:
- To financially support producers in a transparent and non-inflationary manner;
- To grant subsidies to agricultural producers under the form of direct payments.

In 1997, the budgetary expenses amounted to ROL 4,760 billion (nearly 1.8% of the GDP), and the proportion of subsidies, premiums and transfers represented 65%.

Since 1997, subsidies have been intended again for the market of agricultural inputs, for storage and agricultural credit, but differently structured, with the aim to avoid the negative effects that occurred in the previous years.

5. Priorities in resource allocation

Agriculture is a priority sector of the national economy.

Therefore, land reform should continue to be implemented consistently. Similarly, an increase in the quantity and quality of animal and vegetal production is necessary. Supporting mechanized agriculture, particularly purchases of tractors, agricultural machinery, equipment, chemical fertilizers, pesticides and oil products should constitute the major priority. Last but not least, supporting the competitiveness of agricultural producers is an important measure.

Target 5: *Significantly reduce the prevalence of low height for age in children between 2001 and 2015, especially in rural areas*

Indicator 5: *Prevalence of low height for age*

1. Trends in the 1990s and the current situation

The global indicator in the area of nutrition of children, as recommended by the MDGs, is **prevalence of underweight children (under-five years of age)**. To monitor this indicator in Romania, the "Alfred Rusescu" Institute for Mother and Child Care (IOMC) implemented a special programme between 1993 and 2000. The programme was carried out with the financial and technical assistance of UNICEF, on a pilot basis. Data from this programme suggests that the prevalence of underweight children is below 4-5%, regardless of the child's age and residence (urban/rural). By contrast, there is a high and rising prevalence of **overweight for age**, particularly among children with mothers with four or less years of education living in rural areas. The additional weight can be related to an unbalanced diet, based mainly on wheat, sugar and potatoes. Acute and severe malnutrition does not represent a phenomenon worth taking into account. Nonetheless, chronic malnutrition (indicated by the slow-down in the rhythm of growth) is a current problem.

Based on this data, it is fair to conclude that acute malnutrition does not represent a major public health issue in Romania. Consequently, it was decided to replace the global indicator with **prevalence of low height for age**, an indicator more suited to the national reality (Figure 1).

Figure 1. Prevalence of low height for 12-month-olds, by year of birth and sex
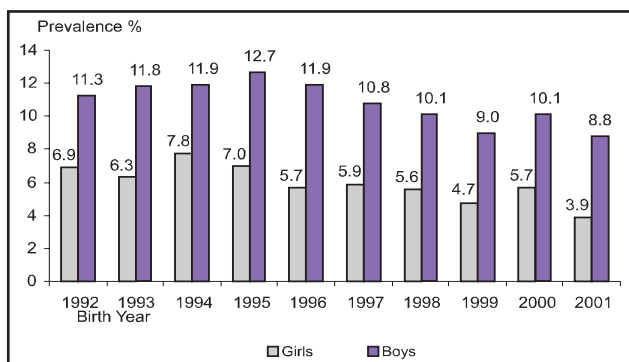
Source: IOMC, National Programme for Nutritional Surveillance, 1993-2000

The dynamics of low height for age reflect the impact of the increasingly poor socio-economic circumstances in the

early '90s, and of the frequent and early exposure to jeopardizing factors in the environment. One of the causes of high prevalence of low height, indicating a nutritional deficit, is an unbalanced diet, more frequent in rural areas and in regions that are seriously affected by poverty (Figure 2, Figure 3 and Figure 4).

Figure 2. Prevalence of low height for 12-month-olds, by year of birth and residence
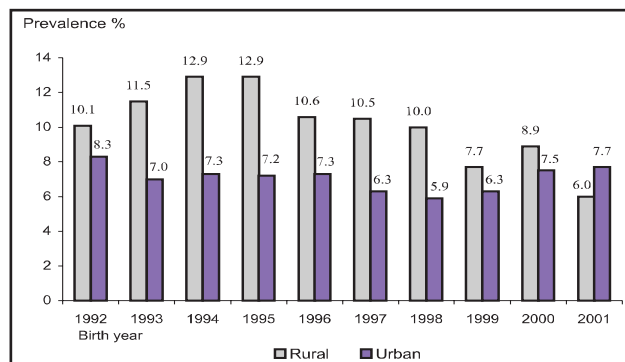
Source: IOMC, National Programme for Nutritional Surveillance, 1993-2000

Figure 3. Prevalence of low height for 12-month-olds, by year of birth and region
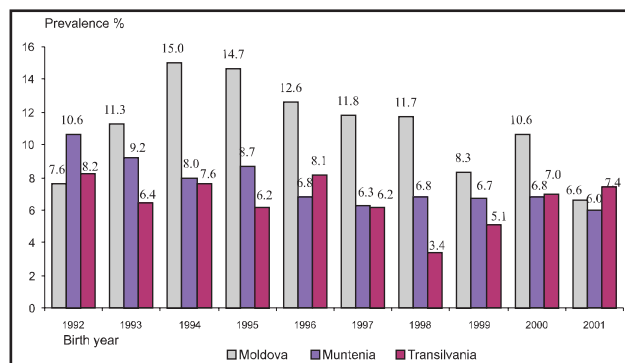
Source: IOMC, National Programme for Nutritional Surveillance, 1993-2000

Figure 4. Prevalence of low height for 12-month-olds, by year of birth and mother's level of education
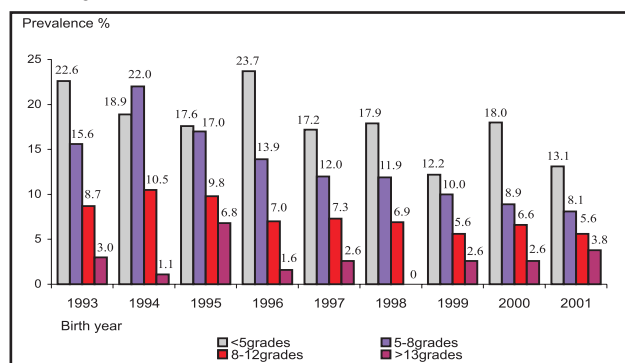
Source: IOMC, National Programme for Nutritional Surveillance, 1993-2000

The nutrition status of under-5 institutionalised children widely differs:

- 30% of under-2-year olds and over 50% of children between the ages of 2-5 have low height for age;
- Underweight for height is alarming (16% in under-2-year-old children, 13% in children between 2-5 years of age); and
- 60% of children have anaemia.

2. Prospects for achieving the target

Improvement in low height for age, which has a high prevalence in Romania and is determined by an unbalanced diet, could be achieved in the long and medium term provided the income improves. Moreover, the implementation of health programmes (in particular health education programmes for nutrition behavioural change) aimed at improving traditional nutrition practices and applying a *sanogen*[5] nutrition diet is also necessary. Encouraging an increase in the frequency and duration of breast-feeding could also improve the nutritional status of the under-2 year-olds. The reduction by approximately 20-30% of children with low height for age could be achieved with the aid of health education programmes, by introducing a healthy life style and adopting *sanogen* nutrition practices.

With an iron supplement programme, it is estimated that anaemia cases can be reduced by approximately 50% in the next 5 years. As important as iron supplement programmes are, it is also important to promote an indigenous production of diverse foodstuffs enriched in iron and without refined sugar. Improving other micronutrient intake, such as iodine or vitamins (especially vitamin D) lowers the risk of premature births and indirectly contributes to reducing the prevalence of low height for age.

3. Challenges

- Iron deficiency continuing to affect children's growth and development;
- IDD became a public health problem;
- Frequent infectious diseases that trigger repeated hospitalisation can increase the risk of malnutrition in children;
- Children without a family: orphans, abandoned children, neglected children or children in danger in their own family;

- Possible fluctuations in the economic recovery;
- The persistence of certain difficulties in changing people's mentality on education and work, and
- Poverty reduction taking place slower than planned.

4. Factors contributing to meeting the target

- The State is interested in continuously improving the legislation on social protection;
- The National Agency for Child Protection and Adoptions has been established. Its main aim is the protection of disadvantaged children. Under this agency there are orphanages (for children from poor families and children who have been abandoned) and paediatric recovery centres (for malnourished children);
- The *maternal assistant,* a new profession instituted to rear poor or abandoned children in a family environment;
- The *community assistant,* a new profession instituted to take care of dysfunctional families;
- The *community nurse,* a renewed profession to help communities (with an accent of underprivileged people) to get medical and social services and better health education services;
- The *community Roma mediator,* a new profession instituted for the Roma community;
- Child allowance received for each child; and
- Free distribution of one cup of milk daily in kindergarten and schools.

5. Priorities in resource allocation

The priorities set for earmarking national resources and obtaining foreign assistance are the following:
- Ensure an adequate budget for the completion of this objective; design and apply efficient programmes for high risk populations;
- Create better socio-economic conditions, which will raise the standard of living;
- Facilitate access of the underprivileged population to fortified, healthy and affordable food;
- Raise the general education level, in particular education on adequate nutrition and looking after one's own health; and
- Ensure careful medical surveillance.

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[5] Sanogen or salutogen, health generator and maintainer.

Goal 2: Increase the completion rate in compulsory education

Target 6: *Ensure that at least 95% of children in rural areas complete a full course of primary and secondary education, as of 2012*

Indicator 6: *Net / gross enrolment ratio in compulsory education*

1. Trends in the 1990s and the current situation

The fact that a significant number of children in rural areas are not enrolled in secondary education and that they do not complete basic education, not only affects their future development, but also questions the equal opportunities to access education.

The enrolment ratio in compulsory education shows an upward trend (Figure1). From 1995 (and for the primary education since 1993-1994), the trend started to be visible with the granting of the child allowance on condition of school attendance. The upward trend has continued during the last two years, but less so in rural areas.

Figure 1. The gross enrolment ratio in compulsory education, by residence, between 1990 and 2002
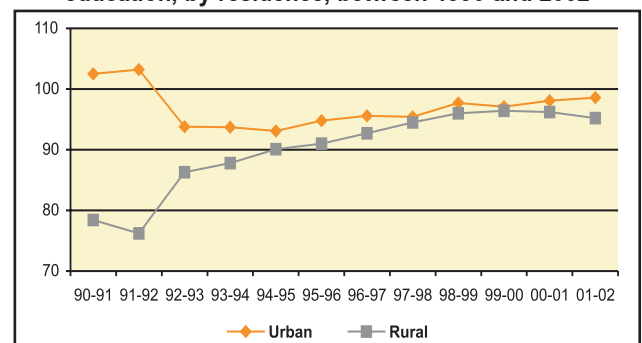
Source: National Human Development Report (NHDR), Romania 2001-2002, UNDP, 2002 and data calculated based on information provided by NIS, 2002

As indicated by Figure 2, beginning with 1994/1995, the gross enrolment ratio in primary education in rural areas was higher than 100%, due to the large proportion of students below and over the official age corresponding to this level. In the school year 2001/2002 the gross enrolment ratio in primary education exceeded 100% both in rural and urban areas.

Figure 2. The gross enrolment ratio in primary education, by residence, between 1990 and 2002
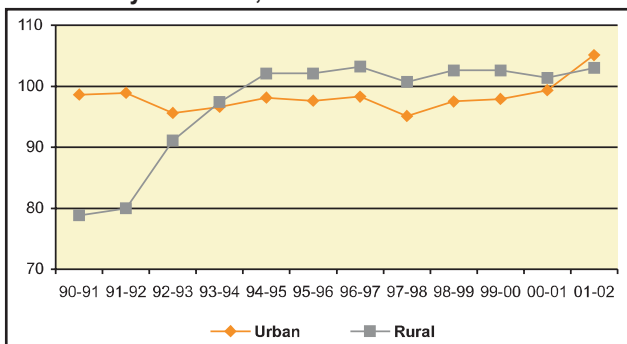
Source: NHDR, Romania 2001-2002, UNDP, 2002 and data calculated based on information provided by NIS, 2002

In the 2001/2002 school year, the gross enrolment ratio in lower secondary education registered a decrease in both urban and rural areas (Figure 3).

Figure 3. The gross enrolment ratio in lower secondary education, by residence, between 1990 and 2002
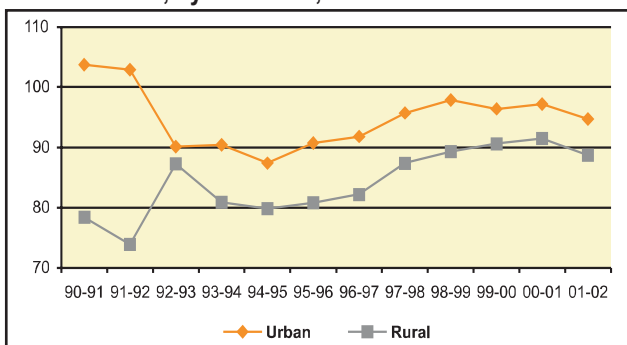
Source: NHDR, Romania 2001-2002, UNDP, 2002, and data calculated based on information provided by NIS, 2002

Analysis of the participation in compulsory education, by gender, on the basis of the gross enrolment ratio indicator, shows a greater, but insignificant presence of male over female students. Females are more predominant at all the other education levels (Table 1). As a whole, it can be considered that in Romania there is no gender discrimination regarding access and participation to education (for additional data, please see Annex 2).

Table 1. The gross enrolment rate (%) by education level and by gender, during the 2000/2001 school year

Education level	Gross enrolment rate (%)		
	Total	Female students	Male students
Compulsory education	97.2	96.6	97.8
Upper secondary education	71.7	73.0	70.4
Post-secondary education	4.3	5.4	3.1
Higher education	27.7	30.2	25.2

Source: NHDR, Romania 2001-2002, UNDP, 2002, and data calculated based on information provided by NIS, 2002

Data trends suggest that the **number of compulsory school establishments** in rural areas, together with the departments operating within certain high schools and school units, is by far higher than in urban areas, although the number of students is smaller (Table 2). This situation is justified by the lower density of the rural population and the necessity of maintaining schools with a small number of students to stimulate attendance by the children living in rural areas with a small number of inhabitants.

The number of **human resource**s also shows a certain advantage to students in rural areas. There are more teachers in rural areas than in urban areas, although the rate of qualification is lower in rural areas. Moreover, the proportion of students to teachers in lower secondary education in the 2002/2003 school year was 13.3 in rural areas and 16.3 in urban areas. In comparison to the previous school year, these ratios have slightly decreased.

Table 2. Students, school establishments and teaching staff, by residence, in the 2001/2002 school year

	School establishments		Students		Teaching staff			
					Total		Qualified	
	No.	%	No.	%	No.	%	No.	%
Total	12,627	100.0	2,320,536	100.0	164,920	100.0	133,251	80.8
Urban	2,061	16.3	1,246,258	53.7	81,590	49.5	70,921	86.9
Rural	10,566	83.7	1,074,278	46.3	83,330	50.5	62,330	74.8

Source: Primary and lower secondary education at the beginning of the 2001/2002 school year, NIS, 2002

2. Prospects for achieving the target

Given the increasing trend of the enrolment ratio in rural lower secondary education, from 78.4% to nearly 88% between 1990/1991and 2001/2002 school years, and as a result of the measures that have been taken to further increase this ratio, it should be possible to meet this target in due time, by 2012.

3. Challenges

- The uneven quality of rural education;
- Limited opportunities for agricultural producers to increase profit and improve their living standards;
- Certain patterns of school attendance in poor rural communities.

4. Factors contributing to meeting the target

In Romania, the Constitution guarantees the right to education for all children and young people, regardless of social or ethnic origin, gender or religious belief. A number of government initiatives aimed at tackling enrolment and dropout rates and illiteracy, as well as their perverse effects, have been designed and implemented in recent years. Among them the most important were: the 2001-2004 Governing Programme; the 2001-2004 Strategy for Developing Non-Tertiary Education, extended to 2010; the Strategy for Stimulating the Participation in Education of Roma Children and Youth; the Programme for Revitalizing

Rural Education; the Programme for Rehabilitating School Establishments; and Law No. 84/1995 on education.

5. Priorities in resource allocation

- Ensure qualitative rural education; and
- Rehabilitate rural school establishments.

Indicator 7: Dropout ratio

1. Trends in the 1990s and the current situation

During the last decade, completion rates at the primary and lower secondary level have remained steady at an average of above 80% (the completion rate is the ratio of total number of students completing the compulsory education cycle - primary and lower secondary education - and the total number of students of the official age corresponding to this level irrespective of whether they passed or not the final examination - "Capacitate"). At the same time, the graduation rates were significantly lower (the graduation rate is the ratio of total number of students completing the compulsory education cycle and passing the final examination, and the total number of students of the official age corresponding to this level). For instance, in the 1999-2000 school year, the graduation rate was only 58.4% (62.6% for girls and 54.4% for boys). Between the 1989-1990 and 2000-2001 school years, the overall primary and secondary dropout rate in the rural areas has decreased from 2.5% to 0.6%, and in the urban areas from 2.3% to 0.7% (Figure1).

Figure 1. Dropout rate during the school year in compulsory education, by residence (1990-2001)
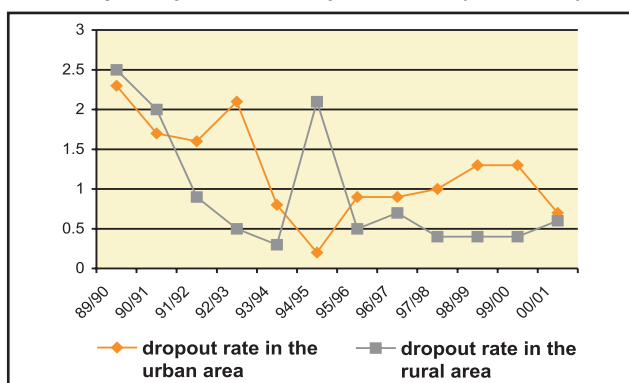
Source: NHDR, Romania 2001-2002, UNDP, 2002 and data calculated based on information provided by NIS, 2002

In spite of this positive trend, there are still questions regarding measurement of dropout rates, particularly in terms of methodological approaches that could capture migration and demographic dynamics. Similarly, irrespective of residence (rural/urban), dropout rates in Romania have evolved differently at the primary and secondary levels. The dropout rate has been consistently higher at the secondary level, although by the 2000-2001 school year secondary and primary education levels had similar dropout rates.

2. Prospects for achieving the target

Given the reduction in the rural and urban dropout rates during the last decade, both at the primary and secondary level, it is conceivable to achieve the goal and sustain the target by 2012.

3. Challenges

- Whether the economic recovery can be sustained over the long-term, especially in relation to employment; and
- Disparities in regional development, particularly between rural and urban areas.

4. Factors contributing to meeting the target

In recent years, a series of Government programmes and initiatives have appropriately targeted the reduction of dropout and illiteracy rates: the Governing Programme for 2001-2004; the 2001-2004 Strategy for Developing Non-Tertiary Education; the Strategy for Stimulating the Participation in Education of Roma Children and Youth; the Programme for Revitalizing Rural Education; Order No. 3907/2000 of the Minister of Education on preventing school dropout and on ensuring further enrolment of school-age children and young people in non-tertiary education; the "School Rehabilitation" Programme; and the "Milk and croissant" Programme.

5. Priorities in resource allocation

- Re-launch key education programmes and initiatives in rural areas;
- Strengthen the system of social facilities for students, the socio-educational policies and programmes for disadvantaged groups; and
- Ensure quality of education.

1. Trends in the 1990s and the current situation

The global indicator regarding the literacy of the population, recommended by the MDG framework documents, is **Literacy rate of 15-24 year olds**. The latest available data (for 2000) on the level of literacy in Romania for the population over 15 years of age (inclusive)[6], points to an estimated rate of 97% (Table 1). The data suggests minor disparities between men and women.

Table 1. Literacy rate of the adult population, by gender

	1995	1996	1997	1998	1999	2000**
Literacy rate (%)	96.9	97.0	97.0	97.1	97.2 / 98.05*	97.0
Female	95.4	95.5	95.6	95.6	95.7 / 97.1*	95.5
Male	98.7	98.7	98.7	98.7	98.7 / 99.0*	98.6

Source: NHDR, UNDP, 2000; NHDR, UNDP, 2001-2002
*Global Report on Human Development, UNDP, 2001, New York
**data for 2000 are provisional

Between 1995-2000, the illiteracy rate of the adult population was approximately 3%, of which, on an average, 2.50% were women over the age of 80. Thus, except women over the age of 80, the illiteracy rate of the adult population was approximately 0.50%. For the same period, adults represented 80.5% of the total illiterate population. This data suggests that the Romanian education system has been able to sustain high literacy rates, except in the case of the Roma. Due to this fact, the global indicator, **literacy rate of 15-24 year olds**, was tailored to the national situation, becoming **literacy rate of the Roma population**.

Recent data on education (including non-enrolment) in the Roma population provided by the Study "Participation in education of Roma children: problems, solutions, actors" issued in 2002 by the Institute for Educational Sciences (IES), the Institute for the Research of the Quality of Life (IRQL) and the Ministry of Education, Research and Youth[7] with the financial aid of UNICEF, suggests the following key trends:

- In 1998, only 61.4% of Roma children and youth (ages 7-16) were enrolled in education courses, with a similar percentage being able to read ("read well");

- High dropout (12%) and non-enrolment (19%) rates among Roma children and youth (ages 7-16). Similarly, over 80% of non-enrolled children are Roma;
- More Roma females (23%) are non-enrolled than their male counterparts (14%); and
- By generation, the analysis shows (Table 2) that the lowest incidence of illiteracy among the Roma population is among adults, ages 17-45. Nearly two-thirds of adults can be considered literate (read well), while the highest incidence of adults who can read with difficulty (45%), is registered among the older generation (over 46 years of age).

Table 2. Incidence of illiteracy among the Roma population, by generation (%)

	Read well	Read with difficulty or not at all	DN/DA*	Total
Generation of transition (10-16 years of age)	57.9	37.5	4.6	100
Adults (17-45 years of age)	64.5	31.8	3.6	100
Old generation (over 46 years of age)	38.4	45.3	16.3	100
Total population of over 10 years of age	57.6	35.8	6.6	100

Source: Study "Participation to education of Roma children: problems, solutions, actors" drawn up in 2002 by IES, IRQL, MER with the financial aid of UNICEF-Romania
* do not know' / did not answer

2. Prospects for achieving the target

The measures envisaged for increasing the enrolment rate in compulsory education, particularly the incentives (granting child allowances for school attendance and daily provision of food ratios) could have a significant positive impact on the illiteracy rate within the Roma population.

3. Challenges

- Poor economic prospects, particularly with regards to employment situation and income;
- Isolation of the Roma communities; and
- Changing attitudes on the value of education among the Roma.

4. Factors contributing to meeting the target

In Romania, the Constitution guarantees the right to education for all children and youth, regardless of social or ethnic origin, gender or religious belief.

[6] Literacy rate of 15-to-24-year-olds (internationally set indicator) is not currently calculated in Romania.
[7] In 2002, "Ministry of Education and Research".

In recent years, there have been a series of programmes and initiatives to reduce the dropout and illiteracy rates, as well as their impact. Many have been directed to the Roma population:

- The 2001-2004 Strategy for developing Non-Tertiary Education (extended to 2010);
- The Strategy for Stimulating the Participation in Education of Roma Children and Youth;
- The PHARE RO 0104.02 Programme "Access to education for disadvantaged groups, with special focus on Roma";
- Order No. 3510/2000 of the Minister of Education on new actions to eradicate illiteracy, according to which each school inspectorate must develop a system for monitoring illiteracy and design suitable measures to combat it;
- Technical and Vocational Education and Training (TVET), an and investment sub-component of PHARE 2001;
- Law No. 84/1995 on education;
- National Campaign "Leave no child out" run by The Federation of Non-Governmental Organizations active in Child Protection (FONPC) in collaboration with UNICEF; and
- The Strategic Partnership between the Ministry of Education, Research and Youth and UNICEF on Roma Children Education.

5. Priorities in resource allocation

- Ensure equal access to education;
- Increase quality of education;
- Develop programmes to educate adults;
- Encourage Roma to access the labour market.

Goal 3: Promote gender equality and empower women

1. Trends in the 1990s and the current situation

The global target recommends eliminating **gender disparity in primary and secondary education, preferably by 2005, and at all levels of education no later than 2015**. However, in Romania, gender disparities in enrolment rates at all education levels are insignificant (no larger than 1.3% and with subunit values for most years), which makes this target irrelevant to Romania. Therefore, a more appropriate target for Romania's situation is to increase **women's level of employment**. For monitoring progress, the indicator was changed to **women's employment rate**.

According to data provided by the National Statistical Institute and AMIGO, in 2001 53.5% of the total employed population was male, while 46.5% was female. Although the proportion of women in the total active employed population slightly increased between 1996 and 2001 from

45.3% to 46.5%, it was not accompanied by an increase of the female employment level (Table 1). During the same period, the female employment level decreased from 53.2% to 52.4%[8].

Table 1. Structure of the total employed population, by gender

Year		1996	1997	1998	1999	2000	2001
Percentage (%) of the employed population, by gender	Male	54.7	54.3	54.3	53.8	53.6	53.5
	Female	45.3	45.7	45.7	46.2	46.4	46.5
Proportion of men to women within the employed population (%)		121	119	119	116	116	115

Source: Calculation based on data from AMIGO, NIS, 2001

As compared to men, the level of women's gross wages is significantly different, both by activity and by evolution (Annex 3). In 1994, women working in the forestry related activities earned nearly as much as men (97%), while women working in the financial, banking and insurance activities earned significantly less than their male counterparts (72%). In 2001, women earned more than men in real state (106%) and civil engineering activities (102%), nearly as much as men in transport and storage activity (99%) and significantly less in industrial activities

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[8] The male level of employment also dropped off from 68.1% in 1996, to 64.3% in 2001.

(65%). In comparison to 1994, the difference in the financial, banking and insurance activities was reduced in 2001, but in forestry activities the gap expanded.

2. Prospects for achieving the target

Given these trends and in the current economic context, it is difficult to expect a significant and sustainable increase in the female employment level in the short term. However, the emergence of a sustainable economic growth may have positive effects on women's employment rate in the medium term.

3. Challenges

As regards the increase of the employment level, Romania is not facing policy or legal challenges in this area.

4. Factors contributing to meeting the target

Romania's Government has adopted a National Action Plan for Employment (NAPE), designed as the main policy instrument in the employment arena.

The National Action Plan for Employment is structured according to the following four pillars:
1. Improvement of the employment capacity;
2. Entrepreneurship development and job-creation;
3. Promoting the undertakings' and employees' capacity of adaptation;
4. Ensuring equal opportunities for men and women.

The NAPE's takes into account the European employment strategy and calls for the development of a system of labour market indicators similar to those used in Europe. NAPE and its indicators will help in the evaluation of the progress registered by Romania, as a candidate country to the European Union.

In addition to NAPE, other factors that will contribute to meeting the target are:

- Article 38 of the Constitution, on Work and Social Protection of Work;
- Law No. 76/16 January 2002 on the unemployment insurance system and on stimulating employment (amended law), particularly Articles 1, 3 and 4; and
- Law No. 202 of 19 April 2002 on equal opportunities for men and women, particularly Articles 1 and 6.

5. Priorities in resource allocation

The national efforts to support small and medium-sized enterprises, to favour the economic development of certain regions of the country and to develop the service sector can directly lead to the increase of the proportion of employed and paid women in the non-agricultural economic sectors.

Goal 4: Reduce child mortality

1. Trends in the 1990s and the current situation

Under-5 mortality has decreased from 35.7 deaths per 1,000 live births in 1990 to 21 in 2002. The difference is significant in absolute figures: 11,227 deaths of 0-to-4 year-olds in 1990, versus 4,818 in 2001.

Between 1990-2002, the mortality rate among children aged 1-4 years of age also decreased by half, from $1.9^0/_{00}$ to $0.8^0/_{00}$ (Figure 1). Nonetheless, in Romania, the mortality rate for this group is still higher than those registered in other European countries (Figure 2). Other trends worth highlighting among 1-4 year olds are:

- The highest mortality is registered for the 1 year olds, which is over $1^0/_{00}$;
- Male mortality is higher than the female mortality at every age group from 1-4 years;

- Mortality is higher in rural areas;
- The most frequent causes of deaths are accidents and diseases of the respiratory system;
- Over 45% of deaths occur in medical establishments;
- AIDS-related deaths dropped from 9.1% of the total deaths due to infectious and parasitic diseases in 1997 to 4.7% in 1999, and increased again to 9.5% in 2000;
- Deaths caused by congenital anomalies have remained on the third place and increased slowly from $11.2^0/_{0000}$ in 1999 to $11.5^0/_{0000}$ in 2000.

2. Prospects for achieving the target

At current rates, it is possible to achieve the target and further reduce mortality perhaps near the European average by 2015. In addition, the following complementary results are likely to be achieved:

- Improvement of the child's nutrition status;
- Reduction in the number of children with small weight at birth; and
- Reduction of morbidity and mortality caused by respiratory diseases.

3. Challenges

- Children from disadvantaged families with low education levels;
- Mothers with a limited education level;
- Children from low-income families;
- Institutionalised children with a high risk of getting ill and having accidents (risk of nosocomial[9] infections); and
- Children that are not included in the health insurance system.

Figure 1. Mortality 1-4-year-olds in Romania, 1990-2002
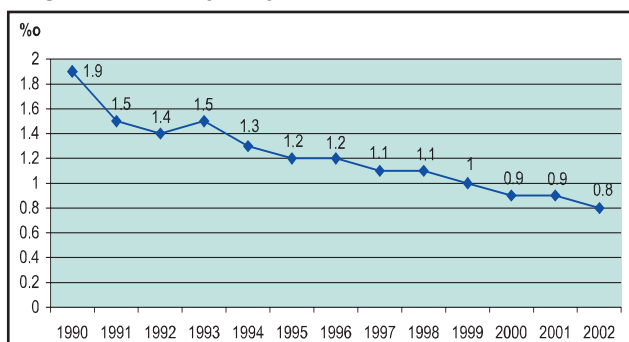
Source: Ministry of Health (MH), CCSSDM, 2003

Figure 2. Mortality 1-4-year-olds in several European countries (2000)
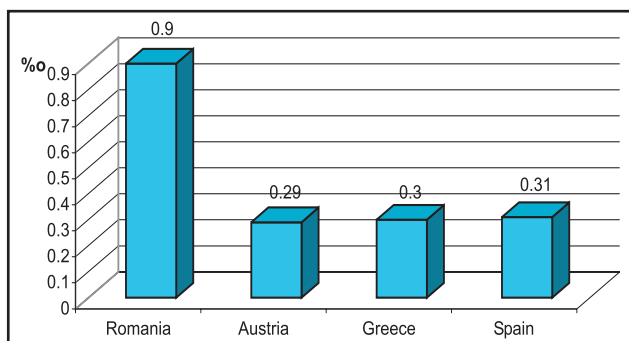
Source: MH, CCSSDM, 2001

4. Factors contributing to meeting the target

- The successful implementation of the health reform;
- Provision of free health services to children, including children in difficulty;
- Periodic prophylactic examinations (particularly, to monitor and detect under-5 malnutrition, anaemia, mucoviscidosis[10], phenylketonuria[11], chronic diarrhoea);
- The establishment of the Community Assistants Network;
- The office of Roma Community Health Mediator;
- Natural alimentation promoted as government policy; and
- The creation of the National Committee for Promoting Breastfeeding and designing the national strategy and the national plan of action to promote breastfeeding.

5. Priorities in resource allocation

- Ensure adequate resources to reach this goal (from the state budget and from the budget of the health social security system);
- Rehabilitate and restructure compartments, sections and hospitals at the commune, municipal and county levels;
- Grant incentives to pregnant women, conditioned by early taking under observation, making prenatal examinations and recommended investigations; and
- Medical and sanitary measures (including administrative and legal measures) aimed to drastically reduce the number of deaths by accidents.

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[9] Originating or taking place in a hospital.

[10] Name for cystic fibrosis (cf), one of the most common and serious of all genetic diseases. Cf is characterized by the production of abnormal secretions leading to mucous build-up.

[11] A genetic disorder in which the body lacks the enzyme necessary to metabolise phenylalanine to tyrosine. Left untreated, the disorder can cause brain damage and progressive mental retardation.

Target 10: Reduce infant mortality by 40%, between 2002 and 2015

Indicator 11: Infant mortality rate

1. Trends in the 1990s and the current situation

During 1990-2001, a significant decrease in the infant mortality rate can be noted: from 26.9 deaths per 1,000 live births in 1990 to 18,4 in 2001 and 17,3 in 2002 (Figure 1). In absolute figures, infant mortality decreased over 50%, from 8,471 deaths in 1990 to 4,057 in 2001 and 3,648 in 2002. In spite of the decrease, it has not been as intensive as in other Central and Eastern European countries (Figure 2).

Figure 1. Infant mortality in Romania, 1990-2002

Source: MH, CCSSDM, 2003

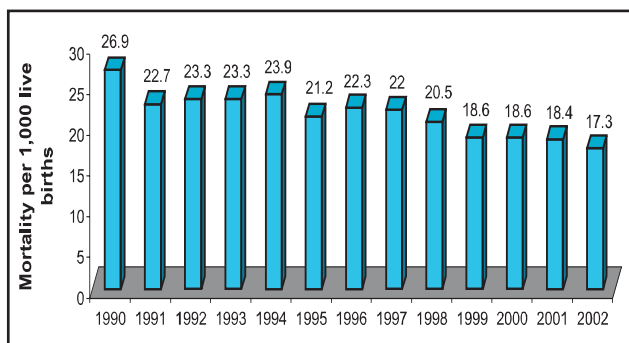**Figure 2. Infant mortality in selected Central and East European countries - 2001**
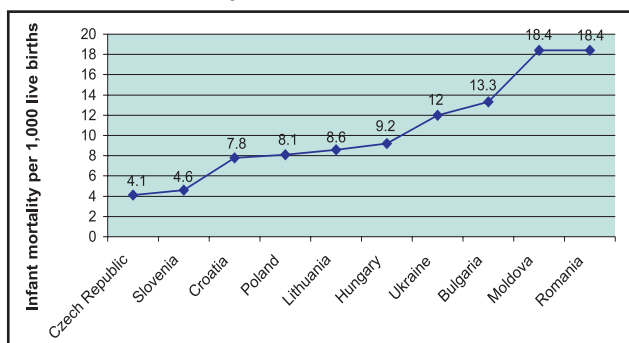
Source: MH, CCSSDM, 2002

At present, infant mortality rates in Romania are higher in rural areas, for males, those with birth weight lower than 2,500 grams (premature), children of older mothers (over 40 years old) and children of mothers with a low education level. Post-neonatal mortality (10.9‰ in 1998, 9.3‰ in 2000) is high in Romania, almost double compared to the average in Central and East European countries and almost six times higher than the level of the European Union. Moreover, in 2001 post-neonatal mortality in rural

areas was almost twice higher than in urban areas (11.2 versus 6.6 deaths per 1,000 live births respectively).

2. Prospects for achieving the target

Considering that infant mortality has decreased in Romania by 50% over the last decade, this trend is likely to continue, with the infant mortality rate decreasing by at least 40% over the 2002-2015 period, when it is expected to reach 10‰.

3. Challenges

The key challenge to achieving this target is to overcome the well-known tendency that, as infant mortality decreases, further decline become slower and more difficult.

4. Factors contributing to meeting the target

Decreasing infant mortality rate implies concerted measures, but more specifically:
- Sustained socio-economic improvements;
- Investment in education (including health education); and
- Medical and sanitary improvements (to reduce conditions for infant mortality at the place of residence and the incidence of pre-maturity and of dystrophy[12]).

5. Priorities in resource allocation

- More training courses targeted at general practitioners (provided for in the current system of accreditation);
- Making roads to villages accessible in any season for emergency health care provided by ambulances, and expanding the public telephony network to all villages;
- Introducing the case based financing system (DRG);
- Providing county paediatric departments with modern equipment for monitoring and for cardio-respiratory resuscitation;
- Adequately equipping county laboratories for performing various types of tests;
- Reorganizing the network of paediatric hospital beds according to EU models; and
- Ensuring the number of specialized medical staff in all regions.

[12] A degenerative disorder caused by inadequate or defective nutrition.

Target 11:   Eliminate measles by 2007

Indicator 12: Proportion of 1-year-old children immunized against measles

In Romania, anti-measles vaccination coverage in 2001 was nearly 98%. Anti-measles prophylactics presuppose the administration of two doses of vaccines, one at the age of between 12-15 months and a second one at the age of 7 years. One hundred percent coverage can be achieved by 2007 especially by increasing the primary medical assistance responsibility, both through stimulating motivation and enhancing control.

Goal 5: Improve maternal health

Indicator 13: Maternal mortality rate

1. Trends in the 1990s and the current situation

The overall maternal mortality rate in Romania has decreased from 0.84 deaths per 1,000 live births in 1990 to 0.22 deaths per 1,000 live births in 2002. Whereas in 1990 most deaths occurred from abortion practices, in 2001 it was evenly divided between abortions and direct obstetric. In 2002 the abortion figures were lower than the obstetrical risk values (Figure1).

The set up of a family planning programme, including the provision of family planning services at primary health care level and the liberalization of abortions have clearly had a positive impact on the overall reproductive health services. Nonetheless, Romania is still among the countries with the highest maternal mortality rate in Europe. The main causes of this situation are:

- Still high maternal mortality rates from empirically induced abortions (50% of total);
- Poor monitoring during pregnancy (over 50% of

women that die during delivery are not registered);
- Hospitalisation of severe cases in maternities not equipped for emergency cases, particularly without the possibility of combating birth haemorrhage, which is the major cause of death from direct obstetric risk (40-60% of deaths);
- Relatively poor medical infrastructure (equipment, personnel, blood, medicines, medical information system) and general infrastructure (transportation, communication);

Figure 1. Maternal mortality rate, 1990-2002 (‰)
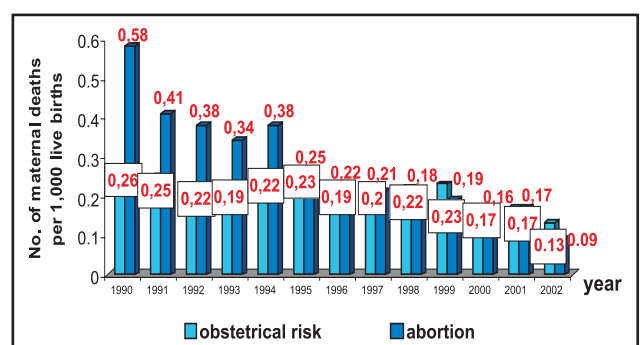
Source: MH, CCSSDM, 2002

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2. Prospects for achieving the target

There is a high probability that the number of abortions on request will continue to decrease and that criminal abortions (self-induced or induced by unskilled staff) will significantly decrease by the target year. These trends will be supported by an increasing accessibility and availability of prenatal services, which would also facilitate a better control of acute and postpartum haemorrhage. Under the circumstances, maternal deaths from hemorrhagic risk and infection should occur only sporadically, while deaths from obstetric risk could decrease by 2008 by approximately 70%.

3. Challenges

- Uneven and insufficient coverage of medical specialists (mainly anaesthetists and neonatology specialists[13]);
- Modernizing maternity infrastructures, marked by insufficient and uneven coverage with modern equipment;
- The absence of a system in place for motivating pregnant women to participate in prenatal care;
- A high proportion of pregnant women not registered in the health insurance system; and
- Poor transportation infrastructure (adequately equipped ambulances, roads, pathways,) and poor communication infrastructure (telephone, radio).

4. Factors contributing to meeting the target

The Ministry of Health has designed a legal framework with a view to closely monitor trends in maternal mortality through a national and various local commissions. In early '90s, the Government has modernized the most important maternity wards, established family planning clinics with skilled personnel and has designed and disseminated protocols on prenatal and intra-natal care[14].

In addition, programmes and initiatives to modernize and standardize the prenatal care have been launched. Moreover, national programs to combat anaemia during pregnancy and to modernize obstetrics and gynaecology services are being implemented.

5. Priorities in resource allocation

Human resources
- Ensure specialized medical personnel in all regions; and
- Establish a training programme targeting general practitioners and midwifes.

Financial resources
- Subsidize costs of medical assistance for uninsured pregnant women;
- Grant the funds necessary to continue to modernize maternity wards in municipalities and counties and to establish highly specialized hospital centers.

Operational resources
- Massive health education campaign to combat empirical abortion and to raise awareness on modern contraception means available in order to eliminate mortality from abortion;
- Reduce unattended home births; and
- Increase blood reserves of transfusion centers and grant priority to obstetric emergencies.

Legal resources
- Encourage broadcasters to grant free advertising space for health promotion campaigns; and
- Increase benefits for maternity leave and for child care leave.

Indicator 14: Proportion of births attended by skilled health personnel

Skilled health personnel attend over 92% of births in Romania. Although this indicator shows a positive development, the Ministry of Health has recently designed a regional health care programme to further improve the quality of birth attendance.

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[13] The science of diagnosis and treatment of disorders of the newborn infant.
[14] During or at the time of birth.

Goal 6: Combat HIV/AIDS and tuberculosis

Indicator 15: Incidence of HIV/AIDS

1. Trends in the 1990s and the current situation

The Ministry of Health and its partners within and outside the United Nations system determined that the global target to **have halted by 2015 and begun to reverse the spread of HIV/AIDS** should be country tailored to address the situation in Romania. Hence, the nationalized target was set as **to maintain, by 2007, the incidence of HIV at the level of 2002**, and to start working after 2007 to systemically reduce cases.

Furthermore, the incidence of HIV in pregnant women is relatively low, as revealed by the implementation of the Ministry of Health's Order 889/5.11.1998, which has instructed a routine HIV test for every pregnant woman with pre and postnatal care. Therefore, it was concluded that indicator 18 – **HIV prevalence among 15-to-24-year-old pregnant women** – from the global MDGs, was not relevant for Romania; **the incidence of HIV/AIDS** is a more appropriate indicator. In addition, the General Department for Public Health holds no data on global indicator 20 – **Number of children orphaned by HIV/AIDS**.

In 2002, there were nearly 14,000 accumulated cases of HIV/AIDS in Romania, of which 57% were still active cases. Of these 14,000, 81% involved children and 19% adults. The number of AIDS cases found each year among under-14-year-old children has decreased from 400-500 new cases during 1991-1998 to 65 new cases in 2002. Most of these cases occurred through nosocomial transmission between 1986-1991.

As far as HIV infections, there were more than 5,600 cases by December 2002, of which 77% were children and 23% were adults. Nearly 8,000 patients were under treatment in 2003.

Therefore, the main characteristic of the epidemiological situation of the HIV/AIDS infection in Romania is the high number of children involved, still the highest in Europe. After 1994, the nosocomial transmission nearly disappeared, but the vertical transmissions increased. Since 2000, the majority of cases are among adults, mainly in the age group ranging from 14 to 29 years old.

Recent progress in treatment has slowed down the development and expansion of HIV in infected persons (Figure 1).

Figure 1. Distribution of AIDS cases by year of diagnosis and gender, 1985-2001

	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
male	4	2	0	7	158	676	327	295	278	334	387	374	397	443	309	330	204
female	1	0	1	10	119	493	225	182	218	213	307	271	305	305	260	251	119
ratio	0.25	0.00	0.00	1.43	0.75	0.73	0.69	0.62	0.78	0.64	0.79	0.72	0.77	0.69	0.84	0.76	0.58
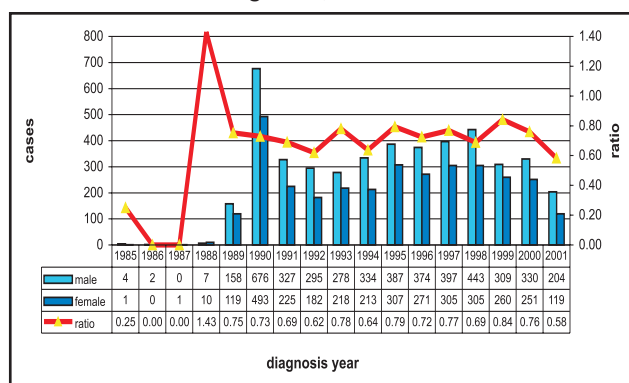
Source: CNLAS, 2002

Each year, the State allocates more than 20 million USD for antiretroviral treatment. In addition, significant sums from the state budget finance the food supply for infected children and the respective aid to their families.

2. Prospects for achieving the target

Meeting the target associated with this goal depends to a large extent on efficiently implementing the measures adopted by the National Strategy on HIV/AIDS, both in prevention and treatment. The funding that Romania has obtained from the Global Fund to Fight AIDS, Tuberculosis and Malaria will also contribute to maintaining, by 2007, the incidence of HIV at the level of 2002.

3. Challenges

Comparing national, regional and global data on HIV/AIDS is rendered more difficult by the differences between the reporting systems. The analysis of the HIV/AIDS situation in Romania takes into consideration the assessments of UNAIDS, which make provisions to deal with poor reporting.

4. Factors contributing to meeting the target

- The National Strategy on HIV/AIDS (1999) and the anti-retroviral therapy (available from1995);
- In 2000, HIV/AIDS was declared a national public health priority; the launching of the National Programme of Universal Access to HIV/AIDS Care and Treatment followed this measure. In March 2002, the HIV/AIDS Multisectoral National Commission was set up under the authority of the Prime Minister. This commission includes 16 ministries, civil society organizations, professional

associations, the private sector, international organizations and bilateral and multilateral donors;
- In October 2002, the Parliament adopted and enacted a Law preventing the spread of HIV and protecting HIV/AIDS-infected persons (Annex 6);
- Romania has a whole range of anti-HIV drugs that are also used in developed countries;
- The Ministry of Health, in close collaboration with the National Commission, has designed and implemented a series of initiatives. The most important were: The HIV Infection Therapy Guide; a manual for the care of HIV-infected children and informative bulletins containing technical reports on the epidemiological surveillance of HIV/AIDS infection;
- Legal provisions on transfusions (control of blood and of its derivatives) were adopted;
- The number of health-care personnel well trained to take care of the HIV-positive is increasing;
- A psychosocial network ready to support infected persons is being developed;
- The Romanian legal framework is in line with the requirements of the EU.

5. Priorities in resource allocation

Romania has secured from national sources the funds necessary for the treatment, care and psycho-social support for the people living with HIV/AIDS. However, the national funds for prevention are limited and have to be complemented from external sources, the most notable being $21.9 million from the Global Fund for the period 2003-2005. It is expected that the predicted economic growth would enable an increase in the public spending for public health and ensure the same level of funding beyond 2005.

Indicator 16: Contraceptive prevalence rate

1. Trends in the 1990s and the current situation

Romania is frequently cited for the family planning policies of the communist regime. A law, promulgated in October 1966, amended the legal status of abortions previously decreed in 1957, and only allowed the use of modern contraceptives and abortion for a very limited number of medical and social reasons. Additional measures such as only having access to contraceptives with a prescription, stopping their import and limiting surgical contraception were also adopted.

This forced pro-birth policy had a negative impact on the reproductive health of Romanian women, highly increasing maternal mortality and morbidity, reproductive pathology, psychological costs and the frequency of illegal abortions. The lack of sexual and contraceptive education had a deep impact that still persists today, 14 years after the fall of communism. Following the change of the political regime in December 1989, the anti-abortion law was among the first laws to be repealed and access to abortion is now free in Romania. As a result, women who have non-planned, undesired pregnancies can now choose to have their pregnancy terminated, if they so desire.

The evolution of the prevalence rates of use of contraceptives in Romania has also changed significantly during the past decade. In 1993, the prevalence rate was 57%, of which more than two-thirds was using traditional methods. By 1999, the prevalence rate had increased to 64%, of which more than half was using modern methods. This suggests an impact of the National Programme for Family Planning. As can be seen in Figure 1, two-thirds of couples in Romania are using some form of contraceptive method.

Figure 1. Contraceptive methods
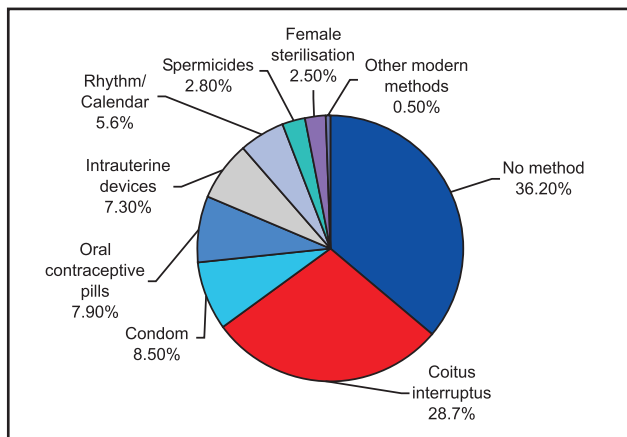
Source: Reproduction Health Survey, Romania, 1999

A 1996 Young Adult Reproductive Health Survey also offers important information on the 15-to-24-year-olds age group regarding knowledge, attitudes and use of contraceptives.

Approximately 35% of the women between 15-24 years of age used modern contraception (although other 32% used traditional methods), which means a considerably higher rate than that of the entire population. Recent studies have also confirmed that contraception prevalence is increasing in the overall population, as well as among 15-24 year olds. This trend is also reflected in the fact that both the rates of births and abortions are steadily decreasing.

2. Prospects for achieving the target

The national reproductive and sexual health strategy is projected to increase the prevalence of modern contraception to 40% in 2005 and to 60% in 2007. This objective has a strong probability of being achieved if the family planning programme continues to be strengthened.

3. Challenges

The limited funds available for the purchase of contraceptives, for staff training and for activities designed to change the behaviour of the population could represent possible obstacles. Cutting contraceptives off from the list of free or subsidized medicines would adversely affect low-income families who may not be able to afford to buy contraceptives. It will also be difficult to quickly change certain behavioural patterns in the absence of continuous information and education.

4. Factors contributing to meeting the target

The Ministry of Health considers reproductive and sexual health a priority. The Ministry has formulated a national reproductive and sexual health strategy aligned to the principles of WHO. In the field of family planning, the Ministry of Health developed a National Programme for Family Planning whose objectives are:

- To decrease the high number of abortions and the pathology caused by abortion;
- To decrease maternal mortality and morbidity; and
- To respect the fundamental rights of women and of the couple and to increase the role of women in society.

A national network of family planning clinics has been established and family planning services are gradually being expanded to primary medical care. Training of medical staff, procurement of good quality contraceptives for free distribution are also factors that could contribute to meeting the target. The priority given by the Ministry of Health to reproductive and sexual health and the existence of a clear strategy will lead to concrete actions to increase contraceptive use. This should also contribute to decrease the number of unwanted pregnancies, abandoned children and abortions, as well as to a reduction in the incidence of genital and breast cancer and of sexually transmitted infections.

The Ministry of Health and the Ministry of Education, Research and Youth signed a protocol on the compulsory

introduction, beginning with the year 2003, of health education in schools, including reproductive health education. It is also expected that this will lead to better-informed youth and to an increase in the demand and use of modern contraception.

5. Priorities in resource allocation

The Ministry of Health has allotted significant funds within the framework of the Child and Family Health Programme to buy contraceptives for free distribution to vulnerable women. This is also being supplemented by donations from international organizations such as UNFPA and USAID. At the same time, a system of acquisition and local distribution of contraceptives is in place.

Target 14: *Have halted by 2005 and begun to reverse the incidence of tuberculosis*

*Indicator 17: Prevalence and death rates associated with tuberculosis*

1. Trends in the 1990s and the current situation

In Romania, mortality from tuberculosis was $6.9^0/_{0000}$ in 1990, and rose to $11.8^0/_{0000}$ in 1997. Since 1997, to a large extent as a result of the implementation of the Tuberculosis Control Programme, the mortality rate decreased steadily to $9.5^0/_{0000}$ in 2000. Yet, in 2001, the tuberculosis mortality rate increased again to $10.7^0/_{0000}$.

2. Prospects for achieving the target

If the Tuberculosis Control Programme continues to be implemented, the tuberculosis mortality rate can be expected to decrease to $5^0/_{0000}$ by 2015. This trend would presuppose quality treatment and diagnostic efforts and monitoring.

Figure 1. Mortality from tuberculosis in Romania, 1990-2015
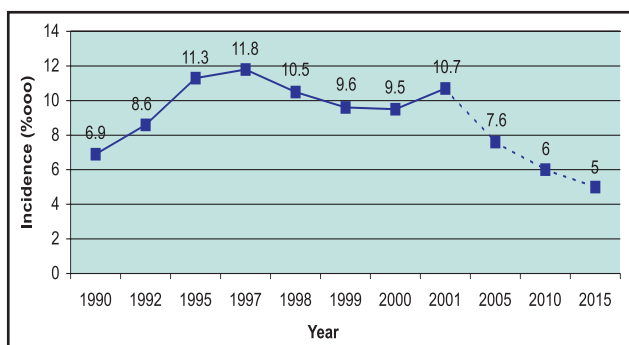
Source: M. Nasta Institute of Pneumology, 2002

3. Challenges

- The natural evolution of endemic tuberculosis and the possibility of the appearance of tuberculosis in patients with other organic, hepatic and renal diseases;
- Late diagnosis of persons suspected to be suffering from tuberculosis;
- Low public awareness on ways and means to prevent, control and treat tuberculosis, reflected by the low compliance to treatment; and
- Lifting as many people as possible from poverty.

4. Factors contributing to meeting the target

- An increase in the rate of therapeutic success, particularly those recommended by WHO;
- Continued successful implementation of the Tuberculosis Control Programme;
- The supply of quality anti-tuberculosis medicines; and
- An information system to collect and report data annually according to WHO and Eurosurveillance standards.

5. Priorities in resource allocation

- Financial support for the creation of special centers to take care of patients with drug resistant tuberculosis and those with social problems;
- Incentives granted to patients and possibly to the health personnel dependant on the results of the treatment, designed to increase compliance to treatment and the rate of success;
- Support the set up of the territorial epidemiological surveillance network in which people suspected of having the early form of tuberculosis can be more rapidly diagnosed; and
- The serological control of all patients with tuberculosis to trace HIV infected persons.

Indicator 18: Proportion of TB cases detected and cured under DOTS (Directly Observed Treatment Short Course)

1. Trends in the 1990s and the current situation

Romania has a National Tuberculosis Control Programme, which has been designed on the basis of recommendations from WHO. Directly Observed Treatment Short Course (DOTS) is at the core of the strategy as the only method that proved efficient in controlling tuberculosis at the global level. In Romania, the first DOTS pilot project was launched in Iași County in 1998 and it produced encouraging results (85% success rate in the case of new cases and recurrences). In 2000, three new projects began in Bucharest and in the counties of Constanța and Brașov. In 2001, the number of pilot projects extended to another 10 counties so that the proportion of the population covered by DOTS rose to 34%.

Nearly 85% of in-patients benefit from DOTS courses. The implementation of the National Tuberculosis Control Programme, designed with the technical assistance of WHO since 1997, contributed to the therapeutic success rate increasing to nearly 80% (77.6%) in 2000. That is one of the highest rates of success in the European region monitored by WHO.

The incidence of tuberculosis in Romania has steadily increased since 1985. In 1990 the incidence was $70^0/0000$, but by 2002 it had doubled to $147^0/0000$. The future estimated trends for the incidence of tuberculosis in Romania do not show a promising decrease (Figure 1). As regards the incidence by age groups and by gender, the incidence among men is significantly higher than the incidence for women. Men between 35-49 years of age are the most vulnerable group, prompting a conclusion that tuberculosis more often affects the socially active age groups. As far as children are concerned, the incidence of tuberculosis is expected to decrease by 50%, from $47^0/0000$ in 2001 to $25^0/0000$ by 2015.

Figure 1: Incidence of tuberculosis in Romania: 1990-2015
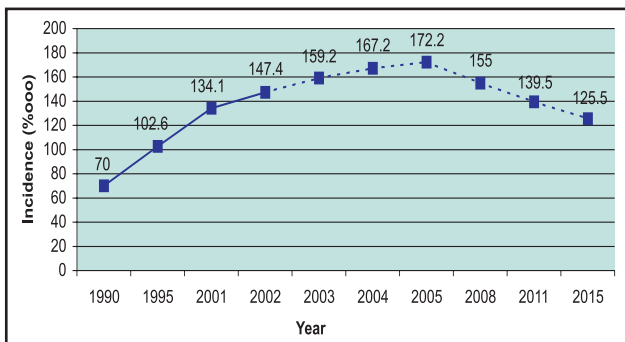
Source: M. Nasta Institute of Pneumology, 2001

2. Prospects for achieving the target

Given the rising incidence trend of tuberculosis, and with current measures in place, the increasing growth in the incidence should be expected to stabilize by 2005 (Figure 1). From that point onward, this indicator is expected to decrease by approximately 10% every three years (Figure 1). However, it is also expected that the incidence of tuberculosis will increase within the population segment affected by HIV/AIDS.

The implementation of the DOTS strategy at the national level is also expected to be 100% accomplished by 2005. The best way to fight tuberculosis is the full and correct treatment, by administering quality anti-tuberculosis medicines for all contagious forms of tuberculosis, under direct medical surveillance.

In the future, supplementary efforts must be made to trace infection sources through a microscopic examination performed on all people suspected to have tuberculosis.

3. Challenges

- Lack of qualified personnel to ensure monitoring of tuberculosis outbreaks and treatment, particularly in rural areas (including identification of all persons within the sick person's circle, their bacteriological and radiological examination);
- Incomplete involvement by general practitioners in the National Tuberculosis Control Programme;
- Lack of transport means to transport medicines to the rural areas and deliver pathological products to bacteriology laboratories;
- Sustained funding for all phases of prevention, control and treatment of tuberculosis;
- Lack of public awareness on ways and means to prevent, control and treat tuberculosis; and
- Lack of incentives for patients to comply with the treatment.

4. Factors contributing to meeting the target

- Political will and commitment by the Government;
- Continued technical assistance from the World Health Organization;
- Improved managerial skills of the personnel handling the Tuberculosis Control Programme;
- The implementation of the National Tuberculosis Control Programme for 2001-2005, approved and mandated by Order No. 91/2002;
- The existing pneumophthisiology network at the national level (250 establishments);
- Improved activity of the bacteriological laboratory network by introducing internal and external quality control of the microscopic examination of sputum smears;
- The results of the implementation of the DOTS strategy in pilot projects;
- Basic standard materials that ensure reliable diagnosis and follow-up;
- An information system to collect and report data annually according to WHO and Eurosurveillance standards;
- Centralized procurement of quality anti-tuberculosis medicines; and
- Treatment administered under direct surveillance to over 90% of tuberculosis patients.

5. Priorities in resource allocation

- Training general practitioners, nurses and other key health care personnel involved in the implementation of the Tuberculosis Control Programme;
- Supporting the creation of a territorial epidemiological surveillance network to quickly trace persons suspected to be ill, to administer anti-tuberculosis medicines under direct observance and to develop a community assistant network, particularly in the rural areas;
- Basic standard materials that will ensure a reliable diagnosis (microscopes, radiological equipment, health equipment);
- Incentives for the tuberculosis patients who come for direct observation treatment;
- A media campaign to raise the health education level of the population; and
- Implementation of policies to increase the general standard of living of the population.

Target 15: Provide access to affordable essential drugs

1. Trends in the 1990s and the current situation

Pharmacists were among the first professionals in the health field that privatised their activities at the beginning of the transition. Given that during the transition there has been a steady rise in the cost of medicines, measures to control the price and quality of medicine have been introduced, as part of the Romanian strategy on the National Medicine Policy.

In 2001, according to the Romanian Association of Medicine Producers and Importers (ARPIM), the value of the Romanian medicine market amounted to more than 500 million USD or 23 USD per capita. Moreover, some of the domestic producers have been taken over by foreign companies. The prices of Romanian-made products are still much lower than those made outside Romania. However, since 1990 the value of the domestic production has decreased by nearly 40% of the total market value. According to data published by ARPIM, by value 65% of the medicines on the market in Romania are imported, while by quantity 70% of products are nationally made.

The access of patients to free or subsidised approved prescribed drugs and medicine is one of the provisions stipulated by the law on health insurance. Every year, the Ministry of Health and the National Health Insurance House draw up a list of prescribed medicinal products that are covered by health insurance funds, irrespective of the patient's taxpayer status. This list is drawn up on the basis of the recommendations made by the Colleges of Physicians and Pharmacists. In Romania, there are approximately more than 6,500 registered medicinal products and nearly 100 new registration demands each month.

2. Prospects for achieving the target

Although the Law on health insurance was set up to cover the entire population, due to certain less developed segments of the social protection system, disadvantaged categories of the population are still not covered by the health insurance system (the homeless and persons without identification). Therefore, their access to essential medicine is very limited. There are no statistical data with regard to these segments of the population. Taking into account that the majority of Romania's population has access not only to essential medicines, but also to a wide range of medicines, and that essential medicines are affordable because they are almost entirely ensured by the domestic industry, it could be argued that the challenge is to sustain the wide access to essential drugs in the medium term.

3. Challenges

- Sustain and increase the wide access to essential drugs in the medium term.

4. Factors contributing to meeting the target

- In Romania, the production, import, distribution and use of medicines are allowed only after the National Medicine Agency issues the authorisation for placing them on the market, a provision that ensures quality of drugs. The Romanian strategy on National Drug Policy aims at using the adequate means of controlling the medicines market that could contribute to increased access to essential drugs.

5. Priorities in resource allocation

- By implementing the provisions of the law on social assistance and by extending community social assistance and health services, the number of persons covered by the health insurance system may increase, although the coverage might not reach 100%.

Goal 7: Ensure environmental sustainability

1. Trends in the 1990s and the current situation

Romania has a significant forestry fund[15]. Forests cover an area of 6,835 thousand ha (2002), which represents 27% of the country's territory; this proportion is below the European average (33%). The Romanian forestry fund comprises of 30% coniferous forests, 31% beech forests, 18% oak forests and 21% other deciduous forests (Table 1). By major topographic areas, the current distribution of the forestry fund is the following:

- Mountains: 58.5% of the mountainous surface area
- Hill: 34.8% of the hilly surface area
- Plain: 6.7% of the plain surface area

No significant changes in the size of the forestry fund were noted during 1989-1999. The total surface area of forests has remained constant, but the distribution has changed slightly. Coniferous forests decreased in number from 1.929 thousand ha in 1989 to 1.853 thousand ha in 2001. In contrast, beech forests increased from 1.893 thousand ha in 1989 to 1.956 thousand ha in 2001 (Table 1).

Table 1. The evolution of the forestry fund, 1989-2001 (thousands ha)

	1989	1995	2000	2001
Total	6.372	6.369	6.366	6.367
Forest area	6.249	6.245	6.223	6.225
Evergreen forests	1.929	1.903	1.856	1.853
Beech forests	1.893	1.925	1.951	1.956
Oak forests	1.146	1.133	1.120	1.117
Various species	1.284	1.284	1.296	1.299
Other lands	123	124	143	142

Source: Statistical Yearbook of Romania, 1997-2002

Unfortunately, the health status of the forests in Romania has deteriorated since 1989, in great part due to serious droughts in 1999, 2000 and 2001 and lack of routine scaling and cleaning. Since 1989, the forest production industry has been in decline. The exploited volume of

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[15] Forests, land to be afforested, land intended for cultivation and wood production, or forest management, ponds, river beds, as well as unproductive land included in forestry planning, regardless of ownership, under provisions of the law (Law No. 26 of 24 April 1996 - "Forestry Code").

wood in 2000 represented only 75% of the volume registered in 1989. At present, the total volume of exploited wood is 1.350 million m³ and the average volume of annually exploited wood is nearly 14 million m³. By 2000, the volume of afforestation had also decreased to 30% of the volume registered in 1989 (Table 2).

Table 2. The evolution of afforestations, 1989-2001(ha)

	1989	1990	1995	2000	2001
Total	41.409	25.489	13.117	12.701	13.539
Planted forests	41.297	25.345	12.943	12.640	13.465
Evergreen forests	12.831	9.195	4.855	4.849	6.570
Deciduous forests	28.466	16.150	8.088	6.765	6.703
Direct sowing of seeds	112	144	174	61	74
Evergreen forests	81	67	40	16	2
Deciduous forests	31	77	134	45	72

Source: Statistical Yearbook of Romania, 1997-2002

The plain area percentage of afforestation is about 7%, which is considered to be insufficient for Romania's specific conditions (the optimum percentage of afforestation is estimated to be 15-20%).

Regarding Romania's tree species, of those listed in 1998, 87.7% classify in the 0-1 classes of defoliation, and 12.3% classify in the 2-4 classes of defoliation. At present, Romania is considered to be a country with moderately affected forests.

"ROMSILVA", the National Forest Company, that has 37 forest departments under its authority, administers the 6 million ha of state-owned forests. Each department includes forest ranges, districts and cantons.

The network of access roads inside the forests is poorly developed. The density indicator of the transport infrastructure is 6.5 m/ha. In the forestry fund there are over 2 million ha of inaccessible forests, where harvesting wood and regeneration work cannot be accomplished under economically efficient conditions. In 2001 regeneration forest work was done on an area of 24,287 ha, of which 23,604 ha was in the state-owed forestry fund managed by the National Forest Company and 683 ha belonged to other owners. A significant importance was given to work supporting natural regeneration, favouring sapling-covered areas.

In the next 5 years, 18,370 ha of privately owned forests remain to be regenerated. An ownership right was established under Law No. 18/1991., for forests; some were completely and illegally felled by owners or other persons.

2. Prospects for achieving the target

Since Romania's forest area is below the European average (33%), strategic actions for long and medium-term afforestation of poorly productive agricultural lands (approx. 2 million ha) are required.

According to the long-term forest development strategy designed by the Ministry of Agriculture, Forestry, Waters and Environment (MAFWE), the main goal is the growth of the afforestation rate from 27%, which is the current rate, to 35% of the country's surface area, in the following 37 years. Approximately 2.5 million ha of agricultural lands are highly eroded and require afforestation. The present policy aims to afforestate 25,000 ha/year.

3. Challenges

Romanian forests, both deciduous and coniferous, are annually affected by numerous biotic and abiotic factors, which, by their joint influence, cause significant damage to trees. Plant health statistics shows that about 20% of the forestry fund area is annually affected by these factors. The clearance of forests, which causes erosion and turns mountainsides arid, has also led to the degradation of the Romanian forests.

Another cause of the reduction in the quality of the forestry fund is industrial pollution, which causes acid rains and, consequently, the phenomenon of forest drying. Pollution and pests affect 5.5% of the forest area, mainly in Sibiu, Argeș, Suceava, Neamț, Brașov, Teleorman, Dâmbovița, Ialomița, Hunedoara, Gorj, Caraș-Severin, Maramureș, Cluj and Sălaj counties.

4. Factors contributing to meeting the target

Afforestations and *Forest Nurseries* are two key activities that are implemented beginning with 2003. The risk of floods, landslides, erosion and desertification are expected to decrease in the areas where the two measures are implemented.

A programme for young stands is implemented annually. It strives to ensure the optimum structure of stands, ecologically and genetically, to increase the functional capacity of forests, both as to their protective role and as to wood production.

5. Priorities in resource allocation

The Strategy for Forestry Development, which aims to improve the forestry fund as a whole, is a key-contributing factor, mainly because it aims at:

- Increasing the forest access within the existing forestry fund, which should increase economic efficiency in harvesting wood, reduce the impact on the environment and generate diminished costs of management;
- Enlarging the afforested area, increasing the value added to forest products and the income of private forest owners, which should in turn create new jobs, increase profit, facilitate the settlement of people in the area, modernize equipment and reduce social pressure on existing forests;
- A more efficient utilization of agricultural lands unfit for other types of crops;
- Encouraging the establishment of professional associations (groups of producers and associations of owners), which, when working productively together, could reduce production costs;
- Providing financial support for owners of forests and of poorly productive agricultural lands;
- Supporting planting and maintaining costs of forest cultures, according to the provisions of Article 7 of the Commission Regulation No. 2759/1999 of the European Commission; and
- Supporting raw material supply for processing industries and fuel supply for rural inhabitants.

1. Trends in the 1990s and the current situation

Romania is one of the European countries with an extremely diverse and well-preserved natural capital, largely as a result of the co-existence on its territory of five bio-geographic regions (Alpine, Continental, Pannonian, Steppe and the Black Sea). Table 1 shows the evolution of the proportion of protected land area to maintain biodiversity for 1990, 1992, 2000 and 2001. The increase registered in 2001 compared to 1990, amounts to 683,192 ha, representing a growth of more than 111%.

Table 1. The proportion of land area protected to maintain biodiversity

| 1990		1992		2000		2001	
Area (ha)	Percentage of the country	Area (ha)	Percentage of the country	Area (ha)	Percentage of the country	Area (ha)	Percentage of the country
611,235	2.56%	1,140,590	4.81%	1,234,710	5.18%	1,294,427	5.43%

Source: MAFWE, 2002

During 1990–1992, the institutional and legal framework for environmental protection was established, including the creation of the central authority, the Ministry of Agriculture, Forestry, Waters and Environment[16]. In 1992, Romania also signed and ratified the Convention on Biological Diversity and by law established the Danube Delta Biosphere Reserve, covering 580,000 ha. In 2000, after Law No. 5/2000 on land planning was passed, the area of lands protected to maintain biodiversity increased to 1,234,710 ha.

2. Prospects for achieving the target

By 2015 (Figure 1) the proportion of protected land could increase to 1,668,737 ha (7%-10%).

Figure 1. The evolution of the land area protected to maintain biodiversity
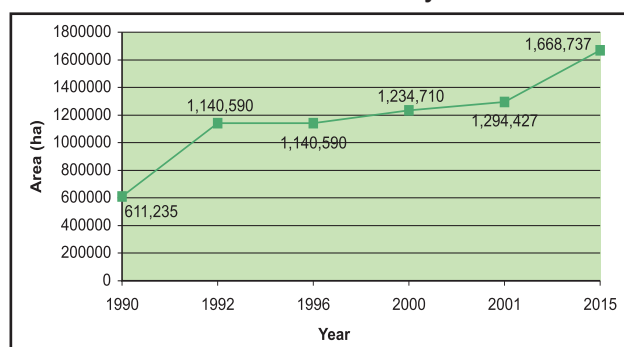
Source: MAFWE, 2002

3. Challenges

Economic: The continuously rising overuse of natural resources and ignoring long-term positive economic effects of the rational use of biodiversity.
Social: The continuous decline of the standard of living, with direct and visible effects; education and the importance granted to biodiversity preservation at all levels.
Ecological: As more and more natural areas characterized by a significant value of biodiversity are included in the National System of Protected Areas, the basis for the selection of protected areas will decrease.
Administrative: So far, except for the Danube Delta Biosphere Reserve and two National Parks, there is no other protected natural area with its own management structure.

4. Factors contributing to meeting the target

At the national level:
- The existence of numerous well preserved ecosystems, natural habitats and wild fauna, as result of a restrained economic development;
- A sufficiently well developed national legal framework and national institutional structure for nature preservation, meeting both the administrative and scientific requirements; and
- The possibility of extending – by resizing and/or new allotments – the Natural Parks and/or Natural Landscape Reserves network.

At the international level:
- Romania has signed and ratified the most important International Conventions on nature preservation (Annex 7); and
- By the time Romania becomes a full member of the

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[16] At that time, "Ministry of Waters and Environment Protection".

European Union, its natural capital will represent a significant share to Europe's natural capital, and it will thus acquire a higher interest and protection statute.

5. Priorities in resource allocation

- Develop management structures for the protected areas, especially for all Reservations of Biosphere, National Parks and Natural Parks;
- Develop the enforcement process of Council Directive No. 92/43 of the European Economic Community (EEC) of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora and Council Directive No. 79/409/EEC of 2 April 1979 on the conservation of wild birds;
- Develop guidelines for the management of the "Natura" (Nature) 2000 network;
- Establish Romania's network of ecological corridors;
- Establish the Information Management Infrastructure, as a support instrument for the decision-making process and for public awareness; and
- Develop and implement a public awareness strategy.

Target 18: Reduce greenhouse gas emissions

Indicator 21: Carbon dioxide emissions per capita

1. Trends in the 1990s and the current situation

Taking into account the provisions of the United Nations Framework Convention on Climate Change (UNFCCC), and according to the decision taken during the Second Conference of the UNFCCC, Romania's reference year is 1989. In keeping with the Kyoto Protocol, Annex B, the level of greenhouse gas emissions during 2008-2012, must be reduced by 8% compared to the reference year.

Due primarily to the economic recession, the volume of emissions has decreased. Thus, greenhouse gas emissions dropped from approximately 271 million tons of CO_2 equivalent in 1989 to 147 million in 2000. The evolution of the quantity of CO_2 emissions/capita shows a declining trend (Figure 1).

Figure 1. Carbon dioxide emissions (per capita), 1989-2001
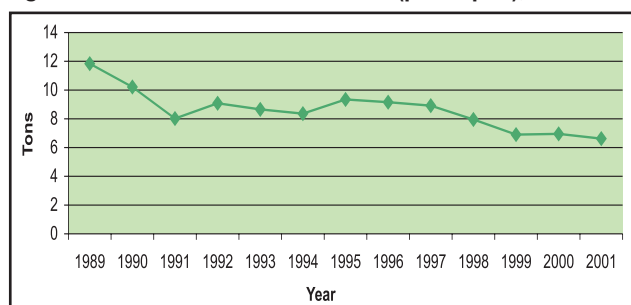
Source: MAFWE, 2002

At present, the National Committee for Climate Change, created by GD No. 1275/1996, must analyse proposals of international collaboration in the field and propose measures for optimising implementation of the provisions of the UNFCCC. The Ministry of Agriculture, Forestry, Waters and Environment focuses on creating a department responsible for climate change, as well as on updating the Government Decision on the set-up and operation of the National Committee on Climate Change. The first measures for institutional development in this field were also identified and approved so that the activity regarding climate change may be carried out in accordance with international standards.

2. Prospects for achieving the target

The goal to reduce by 8% the equivalent CO_2 emissions by 2008-2012 is expected to be achieved.

3. Challenges

The implementation of the global policy of reducing greenhouse gas emissions and the creation of an adequate institutional structure are made difficult by financial, technical and institutional issues.

According to the Marrakesh Agreements, in order to meet the eligibility criteria so as to fall into the "Track I" which deals with climate change, Romania must set up the national system for measuring the emissions from anthropic sources and the retentions by absorption of greenhouse-effect gases, the national registry of these emissions, as well as create the system for the accreditation of the independent entities participating in the implementation of the policies to reduce emissions.

4. Factors contributing to meeting the target

The low rate of economic growth could contribute to the reduction of greenhouse gas emissions and the implementation of UNFCCC provisions could facilitate the creation of an adequate institutional structure.

5. Priorities in resource allocation

In spite of the existing technical experience in dealing with the issue of climate change, the limited national budgetary resources call for international collaboration within the framework of implementing the mechanisms of the Kyoto Protocol, as well as with other international organizations, such as UNDP, OECD, the World Bank and the EU.

The Department for Climate Change within MAFWE will be responsible for the coordination of all activities undertaken at the national level and for reporting the degree of completion of the commitments undertaken by Romania.

1. Trends in the 1990s and the current situation

Romania has all the categories of fresh water, which amounts to an annual average volume of 103.6 million m³/year (inland rivers – 39.6 billion m³/year, natural lakes – 1.0 billion m³/year, ground water – 10.1 billion m³/year and the Danube River – 53.0 billion m³/year). The usable water resources are: river and inland lakes - 15.153 billion m³/year, the Danube River – 20.00 billion m³/year and ground water – 5.78 billion m³/year. The most important water resource, the Danube, can only be used to a small extent due to its peripheral position and to the required minimum navigation flow. By complex planning and by reaching full potential, these resources can reach approximately 62 billion m³/year (rivers and inland lakes – 25 billion m³/year, ground resources 7.0 billion m³/year and the Danube 30.0 billion m³/year).

In relation to Romania's current population, the naturally usable specific resource is of about 2,680 m³/inhabitant and year, also taking into account the share of the Danube River, while the theoretical specific resource is about 1,700 m³/inhabitant and year compared to the European average of 4,000 m³/inhabitant and year, thus placing Romania on the 20th position in Europe. Fresh water resources are intended mainly for human consumption.

The Ministry of Agriculture, Forestry, Waters and Environment, the central public authority, implements the water policy at the national level, and designs strategies and specific regulations with a view to developing and harmonizing these activities within the framework of the general Government policy. The National Company 'Romanian Waters' ('Apele Române'), institution under the authority of the Ministry, must implement the strategy on quantitative and qualitative management of the 11 river basins. The Ministry of Health monitors the quality of drinking water. State-owned companies under the authority of local town councils and villages provide the water supply services to the population.

In January 2002, Romania's population was over 21.7 million (53 % in urban areas and 47% in rural areas); 92% of the inhabitants from urban areas and 34% of those from rural areas benefited from drinking water provided by a centralized water supply system. All towns and municipalities (263) have centralized water supply systems, but not all inhabitants benefit from this service. The number of rural localities with water supply systems is 2,648 villages and communes, which represents only 17% of the total.

2. Prospects for achieving the target

Studies show that the current water demand, which is 20.4 billion m³/year, will rise to approximately 27 billion m³/year during 2005-2010 and to 32–35 billion m³/year during 2020–2025.

Given the social and legal changes that have occurred in recent years, the urban population is expected to increase, as well as the rural population due to returns. Yet, the increase by 100% of the proportion of people with sustainable access to drinking water by 2015 is an achievable target. This target was set as an intermediary milestone in the plan aiming at ensuring a minimum household comfort by 2020 by connecting 99% of the urban population and 85% of the rural population to local water supply networks (Figure 1).

Figure 1. Romania's population connected to centralised water supply systems
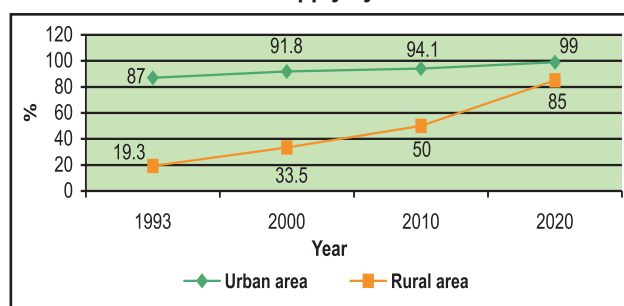
Source: 1995 Water Management Strategy

3. Challenges

- The shortage of financial resources;
- The infrastructure of centralized water supply systems;
- The existing capacity of the water sources is insufficient; and
- The absence of groundwater abstraction installations under the administration of communal husbandries.

4. Factors contributing to meeting the target

- Development of the legal framework and

consolidation of the institutional capacity for the sustainable use of natural resources;

- The investment programmes of the Ministry of Agriculture, Forestry, Waters and Environment;
- Participation by the public in the activities concerning water resource management through the Basin Committees, established in 2001 (the Water Law No. 107/1996); and
- Improvement of the quality of the water source and external financing.

5. Priorities in resource allocation

According to the environment protection goals and priorities in the 2001-2004 Government Programme, and its corresponding action plan, hydro-technical works are being carried out to make water sources available for different uses; such projects are in different stages of implementation in 11 river basins. Resources would have to be primarily directed to supporting these hydro-technical works.

Goal 8: Develop communication and the information society

Target 20: *Double the number of subscribers to fixed telephony networks between 2001 and 2015*

Indicator 23: Telephone lines per 1,000 people

1. Trends in the 1990s and the current situation

In recent years, telecommunications has boomed in Romania. By October 2002, there were more than 4 million subscribers to the fixed network and more than 3.8 million subscribers to mobile telephony. At the end of 2003 the number of mobile subscribers reached 6.9 million, almost double than in the precedent year. The market for telecommunication services was estimated in 2002 to be worth over 1.5 billion USD.

In the last ten years, telecommunications was one of the most dynamic sectors, and the investment index increased exponentially. Telecommunications attracted between a third and a half of the total direct foreign investment. Seventy percent of the telecommunication sector is private and 30% is public. Communication infrastructure and information applications are the important factors required to make the transition to an Information Society (IS).

At the beginning of the transition process, Romania had a low level of telephony coverage (18%), an underdeveloped and old telephone infrastructure, prohibitive telephone rates for a majority of the population and a significant legislative and technological disparity compared to the European Community. Today, not only have the number of telephone lines more than doubled since 1995, but the teledensity has steadily increased, as well as the installation of fibre optic from 1,000 km in 1995 to more than 20,000 km in 2002. Nonetheless, the waiting list to get a phone line is still long and recent progress conceals great disparities among and within regions.

Mobile telephony services were launched in 1997 and proved to be a great commercial success. GSM (Global System for Mobile Communications) operators paid special attention to coverage. They focused first on the big urban areas, covering approximately 80% of the population after the first year and 90% after the second year. Since 1997, the number of fixed or mobile telephony users has been increasing, but in 2003 mobile phone users surpassed fixed lines subscribers.

2. Prospects for achieving the target

According to Romania's medium term National Strategy on economic development, subscribers and users of fixed and mobile telephone will grow constantly (Figure 1 and Figure 2).

Figure 1. Dynamics in the number of subscribers to the network of fixed telephony
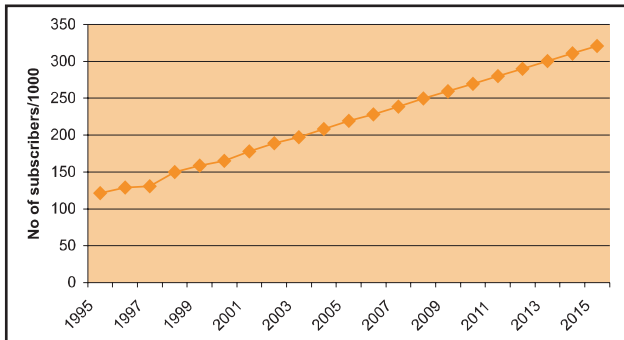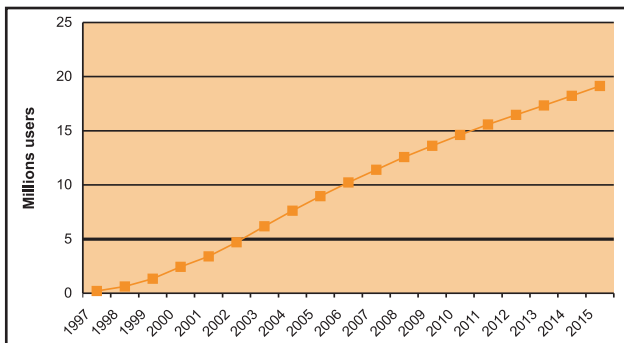

Source: Ministry of Communications and Information Technology (MCIT), 2002

Figure 2. Dynamics in the number of users of mobile telephony networks

Source: MCIT, 2002

3. Challenges

The main weaknesses of the sector are the following:
- Voice telephony services are the predominant application;
- None of the big operators is listed at the Stock Exchange; and
- Delays in rural development.

The main threats are the following:
- The modest income of the population limits demand and investment opportunities; and
- Fiscal instability persists.

4. Factors contributing to meeting the target

The main strengths of the sector are the following:
- The level of development in the telecommunication sector exceeds the current level of economic development;
- The sector is highly competitive; and
- A predominant private sector.

The main opportunities are:
- The liberalization of the Romanian telecommunications market which will allow the introduction of new business models and the appearance of new operators;
- The introduction of new pan-European technologies, triggering higher demand;
- New legislation in the field of electronic communications, in accordance with the acquis communautaire; and
- The presence on the Romanian banking market of several international banks interested in investing, as well as the predominance of private capital in the banking sector.

5. Priorities in resource allocation

- In the coming years, subsidies, grants and external funding sources will probably have a decreasing trend. New sources of finance, public and private, will be needed;
- Administration personnel in MCIT, the Inspectorate General for Communications and Information Technology (IGCTI) and the National Regulatory Authority for Communications (ANRC) is insufficient and should be increased;
- Sectoral development in the market economy requires adjusting education to new requirements;
- Prepare for accession to the European Union:
  - Impartially and efficiently regulate the market;
  - Carry out a number of detailed statistical studies regarding the market;
  - Accredit competent laboratories;
  - Adopt standards as required by Directives No. 89/367/EEC and No. 99/5/EC;
  - Negotiate PECA accords in the field of electromagnetic compatibility and terminal equipment;
- Complete market liberalization and the intensification of competition will have to be encouraged by adopting certain additional measures, in accordance with international practice;
- Encourage more investments, particularly in infrastructure for disadvantaged areas and small and

medium sized enterprises;

- Reduce regional disparities;
- Efficiently manage limited resources;
- Introduce new services and technologies;

- Complete the process of the State's disengagement from the operating activity; and
- Complete the privatisation of Romtelecom.

Target 21: Increase by at least 20% each year the number of personal computers

Indicator 24: Personal computers per 1,000 people

1. Trends in the 1990s and the current situation

The information technology sector is one of Romania's socio-economic priorities for the next 10 years. According to a survey (*Information Society Indicators in the Countries of Central and Eastern Europe – ESIS*) conducted by the Institute of Microtechnology between 1998 and 2000, the total number of computers in Romania at the end of 2000 was over 713,000, representing 6.4% of the number of computers in Central and Eastern Europe. By the end of 2001, the total number of personal computers in Romania was nearly 880,000, reaching 2,100,000 at the end of 2003. In comparison to other countries in the area, Romania's potential is high considering that only three other countries in the region have a larger number of computers.

This indicator will continue to grow in great part due to a number of programmes currently underway. For example, the programme that provides all schools in Romania with fully equipped computer laboratories. Between 2001-2004, more than 500,000 computers connected to the Internet are to be installed in schools. There is also a programme to modernize the local and central public administration, including an e-government initiative.

Given annual estimated growth rates of 20% and 50% it is conceivable that by 2004, there will be 131 computers per 1,000 inhabitants and that the number of registered Internet addresses and users will also continue to grow - in 2003, the share of Internet users in the total population was 23.8%. The annual growth rate of computers in Romania is on average 50%, compared to an average growth rate of 18% in other countries of Central and Eastern Europe. Most of the computers in Romania are used in administration, banking, insurance and financial services and heavy industry.

The Information Technology (IT) market in Romania was valued at more than MEUR 764 in 2003, with an average growth rate of 17%.

During 2001-2002, several key initiatives to continue to develop and modernize the communications and IT sector were taken:
- The improvement of the legal and institutional framework, such as Law No. 455/2001 on the electronic signature, Law No. 365/2002 on electronic

commerce and a law on the prevention of and fight against computer offences;
- The National Strategy to promote the new economy and to implement the Information Society (approved by GD No. 1440/2002);
- A series of projects with a view to providing public services by electronic means and to accelerating the Government's Digital Reform in accordance with EU standards for e-government;
- Several pilot studies on integrated information systems on various subjects, e-procurement, multimedia centers and citizens electronic information services;
- In March 2002, MCIT put into service the Electronic System for Public Procurement, which is now being used by over 1000 public institutions; over 9,000 private companies have requested to use the system;
- Partnerships have been established at the international level with the aim of accelerating the development of the IT sector in Romania.

2. Prospects for achieving the target

As it is illustrated in Table 1 and Figure 1, assuming a 20% growth rate, by 2004 Romania could very well be on its way to meeting the target.

Table 1. The increase in the number of computers given a 20% annual growth rhythm and 50% respectively

(thousands PC)

Years Growth rate	2001	2002	2003	2004
20%	880	1,056	1,237.2	1,485
50%	880	1,320	1,980	2,970

Source: MCIT, 2002

Figure 1. Dynamics of the penetration rate of PCs in Romania between 1998 and 2015 at a nearly 20% annual growth rate
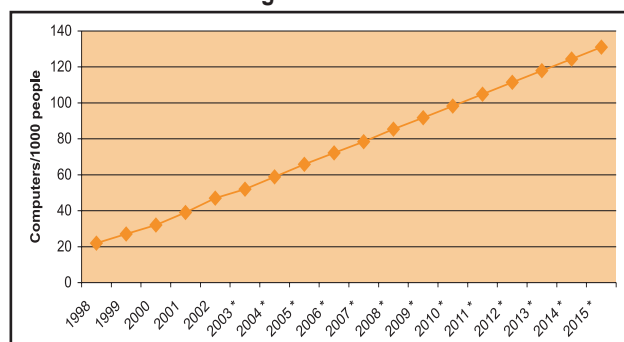
*estimated data
Source: MCIT, 2002

3. Challenges

- Low GDP per capita and low access level to communication lines and the Internet due to the expensive monopoly in the field of fixed telephony that operated until 1 January 2003 and because of the relatively low level of investment in access infrastructure;
- Poor implementation of the copyright legislation, allowing software piracy to persist;
- The business environment is insufficiently open to use Information and Communications Technology (ICT) and e-business;
- The number of PCs and the introduction of the Internet in secondary schools and high schools has remained at low levels, below EU candidate average;
- The existing technological disparity compared to developed countries, particularly in the field of research.

4. Factors contributing to meeting the target

- Current policy is favourable to the development of ICT and IS through: the establishment of the MCIT and the adoption of the legal instruments necessary for IS to function properly and according to EU requirements;
- Highly qualified human potential and resources;
- Consolidation and growth of the IT community (IT companies and experts);
- Market consolidation of telecommunication operators and the development of a national optic fibre infrastructure (16,500 km in 2001 and 20,000 km in 2002);
- Government supported investments and programmes in the ICT sector;
- The possibility to attract foreign funds (especially from the EU) for IT projects, such as e-government, e-commerce and citizen access to public information;
- The opportunity to extend Internet access building on the high proportion of cable TV subscribers and of mobile telephony; and
- Developing the framework required for EU integration and implementing policies.

5. Priorities in resource allocation

In the long term, MCIT will adopt a combination of several policy initiatives (Table 2).

Table 2: Options to Increase Romania's Competitive Advantage in the IT Field

Term	Competitive Advantage	Strategy
Short	Low cost	Reduce prices (suitable option because certain basic products or services are clearly defined)
Long	Low cost	Establish fixed prices (unsuitable option)
Short, Medium and Long	Low cost	Penetrate new foreign markets with "Made in Romania" products/services (suitable option)
Long	Large range of services and products	Diversify products and services (suitable option)
Short	Large range of services and products	Diversify the offer - introduce solutions determining the increase of the demand for acces to information

Source: IDC (International Data Corporation), World Bank, ANISP (National Association of Romanian Internet Service providers) and Roland Berger Study

According to the 2002 census, Romania's population was 21.7 million, out of which 47% lived in rural areas. Over the last 10 years, the population has decreased by over 1 million.

Other relevant demographic highlights are:
- The young population decreases in absolute numbers and as a proportion of the total population;
- The growth of the population above 60 years of age has a deep impact on health and social services and on the active population in general;
- In 2002, Romania had the lowest birth and fertility rates. This triggered a negative demographic growth. A negative migration growth also contributed to this trend;
- The fertility rate has sharply decreased (from 2.9 children per woman in 1956 to 1.2 in 2002). This rate is below the level of generation replacement which is 2.1 children per woman and is an indicator of the process of depopulation;
- In 2002, natural growth was -2.7‰ with a deficit in population registered in 29 counties and in Bucharest. The lowest rates were in: Teleorman (-7.3‰), Giurgiu (-6.2‰), Arad (-4.7‰), Dolj (-3.9‰), Mehedinți (-3.8‰) and Caraș-Severin (-3.8‰). These counties also have high poverty and unemployment rates; and
- Abortion is still the most frequent method used to terminate unwanted pregnancies. Although the number of abortions has significantly decreased, it was still high in 2001 (1,107.8 abortions per 1,000 live birth; that is, 1.1 abortions per live birth compared to 3.1 in 1992).

Mortality rates increased from 1990 to 1996, then decreased slightly. The trend was reversed in relation to life expectancy at birth: it decreased between 1990 and 1996 but increased slightly afterward. Vascular diseases and tumours are the leading causes of death in Romania. Since 1993, both have represented nearly three quarters of the total deaths: vascular diseases cause 62.4% of the total deaths, and tumours 15%. Both the increase in chronic diseases and the demographic ageing of the population have influenced this trend. By cause of death, mortality rates differ by gender. In comparison to women, men have a higher mortality rate due to tuberculosis, traumatic wounds, mental and behavioural disorders, and diseases of the nervous and digestive systems. Women are more affected by endocrine, nutrition and metabolism disorders, as well as by cerebral and vascular diseases.

There are other areas of concern, such as the increase in alcohol consumption, worsening of the quality of food and water, nutritional habits, stress, and poor real income. Mortality from respiratory diseases and, to a less extent, mortality related to accidents, poisonings and other traumatic lesions has decreased.

Within this context, Romania has already been making constant efforts to meet the Millennium Development Goals in the area of health. An ongoing reform process underlies trends in the health sectors. A great number of other factors, such as the health services, the environment, socio-economic conditions and lifestyles, also affect the health status of the population and equally contribute to its improvement.

Enrolment in the Romanian education system does not show gender disparities. For example, between the 1994/1995 and 1997/1998 school years gross enrolment rates in compulsory education stood between 80-90%, and over 90%, with insignificant gender disparities. Small gender disparities can be noticed also in gross enrolment rates in upper secondary education, where for the same period, these rates vary from 60% to over 70%, while in higher education female students predominate (Figure 1).

Figure 1. Gross enrolment rate by education levels during 1994-1997
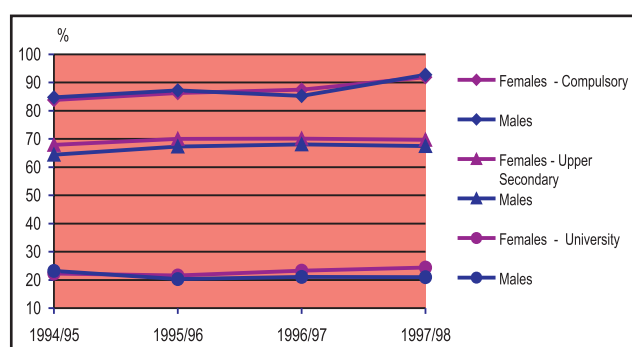
Source: "Women and Men in Romania", UNDP, NIS, 2000

In the 1997/1998 school year, the number of boys that dropped out was higher than the number of girls. The registered percentages were the following: the drop-out rate in compulsory education was 0.8% for girls and 1.1% for boys, at the upper secondary education 3.3% for girls and 5.2% for boys, in vocational and technical education 5.9% for girls and 6% for boys. One of the reasons the dropout rate is lower for girls is because parents tend to require boys to help run household activities or, under extreme circumstances, earn a living for their families by sporadically running profit-gaining activities.

According to data provided in the 2001-2002 NHDR, for the period 1995-2000, gender disparities in enrolment rates at all education levels are insignificant, no higher than 1.3% and with subunit values for most years.

In conclusion, in Romania there are no gender disparities in primary and secondary education, while at the higher education level female students outnumber male students.

Activity	1994	1995	1996	1997	1998	1999	2000	2001
Forestry	97	94	86	87	89	92	80	78
Postal services and telecommunications	91	98	88	86	89	90	102	86
Real estate activities	91	89	89	88	93	107	110	106
Health and social assistance	90	91	85	86	87	92	88	83
Civil engineering	87	89	90	89	95	101	96	102
Trade	87	85	85	75	80	81	81	77
Transport and storage	87	85	88	84	91	97	94	99
Education	86	87	85	91	87	89	87	86
Public administration	85	82	83	89	78	82	77	83
Hotels and restaurants	79	77	79	74	74	88	67	75
Industry	74	76	75	71	71	73	69	69
Financial, banking and insurance activities	72	93	98	90	91	90	85	89

Source: NIS, Survey on the distribution of employees and wages by profession during October 2001

Annex 4.
The health sector reform

After 1989, the political, economical and social changes in Romania also triggered significant changes in the health sector.

The health reform involved a transition from a Semașko-type system, strictly focused on planning, organizing and providing health services, to a new health insurance system, based on new principles: fair access of the population to health services, a better allocation of financial resources and an increased efficiency of their use (see Annex 1), and the introduction of competition among health services providers. The legal framework was ensured by the promulgation of important laws, such as the law on social health insurance and the law on public health. The implementation of the health insurance system began in 1998.

The new health insurance system introduced a number of changes including new institutions (the National House for Health Insurance and the County Houses for Health Insurance, the College of Physicians in Romania and County Colleges of Physicians) and encouraged private health service providers.

The health services providers have become autonomous, as they contract health services with county funds. The new system has introduced the concept of third party payment. Health insurance agencies are responsible for collecting contributions and for reimbursing health services providers according to the volume, structure and quality of the services provided.

The ultimate goal of the health system reform is "A healthier Romania, with a decreased morbidity and less premature deaths", within the context of:
- A political and economic reform;
- A demographic transition towards an ageing population;
- An increase and change in the type of morbidity (more severe and more numerous diseases); and
- Limited financial resources.

Before health insurance was introduced, the state budget was the main financing source of the health care system. During 1990–2000, public health expenditure, as a percentage of GDP, varied between 2.8 and 4.0%, the equivalent of 28–70 USD per inhabitant. In 1999, the last year data were registered (also for expenditure from private sources), the total expenditure for health care services was estimated to be 4.9% of GDP.

Table 1. Health expenditure as a proportion of Romania's GDP

YEAR	GDP Billion ROL	Exchange rate ROL/USD NBR	GDP Billion USD	% GDP for health	Billion USD for health	Cost of reproductive health Million USD
1989		14.92				
1990	857.9	21.56	39.79	2.9	1.15	
1991	2,203.9	76.47	28.82	3.3	0.95	
1992	6,029.2	307.95	19.57	3.3	0.58	
1993	20,035.7	760.01	26.36	2.7	0.71	
1994	49,773.2	1,655.09	30.07	3.1	0.93	
1995	72,135.5	2,033.28	35.47	2.9	1.02	
1996	108,919.6	3,082.6	35.33	2.8	1.02	
1997	252,925.7	7,167.94	35.28	2.6	0.91	
1998	373,798	8,875.55	42.11	3.1	1.3	
1999	545,730.2	15,332.93	35.59	3.9	1.38	
2000	800,308.1	21,692.74	36.89	4.1	1.51	
2001	1,154,126	29,060.86	39.71	4.2 (Government's White Paper)	1.66	3.65
2002	(4.9%>2001)	33,055.46	36.62	4.2 (Government's White Paper)	(1.53)	6.67
2003						9.70 (Estimate)

Note: For 2002, figures are provisional
Source: MH, NIS and NBR

To improve the health of children and women, the Programme for the Health of the Child and Family has been running since 2001. Its major goals are to reduce the number of unwanted pregnancies by providing family planning services and to reduce infant and maternal morbidity and mortality.

These goals are achieved by 3 types of sub-programmes:
- Sub-programmes on child health;
- Sub-programmes on reproductive health;
- Information, education, and communication campaigns.

The cost of reproductive health sub-programmes varied during the three years the programme ran, as shown in Figure 1:

Figure 1. Total cost of reproductive health sub-programmes in 2001, 2002, 2003 (thousands ROL)
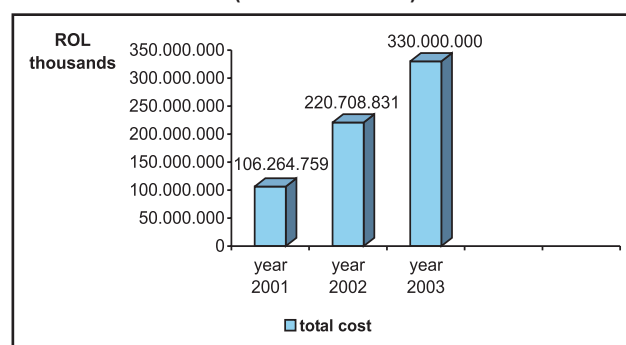
Source: MH, NIS and NBR

Through partnerships with USAID, John Snow Research & Training, UNFPA and the Society for Contraceptive Education, the sub-programmes on reproductive health benefited from non-reimbursable foreign funds (ROL 17,770,000 thousand in 2001, and ROL 33,600,000 thousand in 2002).

Annex 6.
Legal instruments and regulations on epidemiological
surveillance and on controlling HIV/AIDS infection, which have been
designed in Romania since 1990

- Order No. 1201/16.10.1990 of the Minister of Health on epidemiological surveying, infection prevention and the medical care provided to HIV-infected persons
- Order No. 912/11.11.1992 of the Minister of Health on the set up of the system of declaring the infection with the human immunodeficiency virus and its implementation methodology
- Order No. 1243/29.09.1993 of the Minister of Health on the set up of certain measures to prevent and combat tuberculosis
- Order No. 493/15.03.1995 of the Minister of Health on the free of charge hospitalisation and treatment for HIV/AIDS infection
- Law No. 145/1997 on the social health insurance system
- Government Decision No. 244/1997 on the organisation and functioning of the Ministry of Health
- Government Decision No. 764/1998 amending GD 244/1997
- Law No. 100/1998 on public health assistance
- Order No. 64/30.01.1998 of the Minister of Health on the set up of expert commissions within the Ministry of Health, their structure, as well as the approval of the operating rules for these commissions
- Order No. 889/5.11.1998 of the Minister of Health on republishing Order No. 912/11.11.1992 of the Minister of Health establishing the system of declaring the infection with the human immunodeficiency virus and its implementation methodology
- Order No. 991/22.12.1998 of the Minister of Health on epidemiological surveying, infection prevention and on medical assistance granted to the HIV-infected persons
- Order No. 161/16.03.1999 of the Minister of Health on reorganising the "Professor Dr Matei Bals" Infectious Diseases Institute
- Order No. 665/4.10.1999 of the Minister of Health on ensuring antiretroviral medication to HIV/AIDS-

infected patients
- Government Ordinance No. 53/30.01.2000 making the reporting of diseases and immunizations obligatory
- Emergency Ordinance No. 180/2000 on amending the law on the social health insurance system
- Order No. 8/2000 of the Minister of Health on operative disease reporting methods
- Order No. 588/19.07.2000 of the Minister of Health on establishing the list of diseases for which reporting on laboratory tests is required
- The National Programme to Fight AIDS of the National Commission to Fight AIDS within the Ministry of Health (includes the case definition and the form for reporting and surveying the HIV/AIDS infection)
- Order No. 365/2001 of the Minister of Health on organising and financing health programmes in 2001, involving the Regional Centers for HIV/AIDS Surveillance and Monitoring
- Order No. 30/24.04.2002 of the Minister of Health on Ministry's specialized commissions, their structure, as well as approving the operating rules of these commissions
- Order No. 176/13.03.2002 of the Minister of Health on the approval of health sub-programmes and on the methodological norms on financing, reporting and controlling the indicators settled in the health programmes and sub-programmes financed from the Ministry's budget and from the budget of the social health insurance fund in 2002
- GD No. 284/21.03.2002 on the establishment of the National Commission for Surveying, Controlling and Preventing HIV/AIDS Cases, on its organisation and operational activities
- Law No. 584/29.10.2002 on prophylactic measures regarding the spread of AIDS in Romania and on protecting the HIV-infected persons or the people suffering from AIDS

Decree No.187/1990	Convention Concerning the Protection of the World Cultural and Natural Heritage (Paris)
Law No.5/1991	Convention on Wetlands of International Importance especially as Waterfowl Habitat (Ramsar)
Law No.13/1993	Convention on the Conservation of European Wildlife and Natural Habitats; Bern Convention (Bern)
Law No.58/1994	Convention on Biological Diversity (Rio de Janeiro)
Law No.69/1994	Convention on International Trade in Endangered Species of Wild Fauna and Flora (Washington)
Law No.13/1998	Convention on the Conservation of Migratory Species of Wild Animals (Bonn)
Law No.111/1998	Convention on Desertification Prevention
Law No.89/2000	Agreement on the Conservation of African/Eurasian Migrating Water Birds
Law No.90/2000	Agreement on the Conservation of Bats in Europe
Law No.91/2000	Agreement on the Conservation of Cetaceans in the Black Sea, Mediterranean Sea and Atlantic contiguous area
Law No.451/2002	European Convention on Landscapes

Source: MAFWE, 2002

Extreme poverty rate (at global level) = proportion of people living in households with average consumption expenditures per person less than USD 1 per PPP (purchasing power parity), per day.

PPP = the number of currency units required to buy goods equivalent to what can be bought with one unit of the currency of the base country; or with one unit of the common currency of a group of countries. The PPP may be calculated over all of GDP, but also at levels of aggregation, such as capital formation and household consumption.

Poverty line = it represents the overall consumption expenses of households that spend on food a sum equal to the minimum basket. Such households are presumed to limit drastically their non-food good and service use, as they spend no more than necessary on food.

Severe poverty rate (CASPIS methodology) = proportion of people living under severe poverty line to the total number of people.

Severe poverty line (CASPIS methodology) = in addition to the alimentary line, households, whose resources prevent them from covering more than the minimum basket, have to spend also on non-food goods and services. In fact, these households spend no more than is necessary to cover also other consumption components, to the detriment of the food basket. The elementary caloric amount is turned into a basket containing the *minimum food* products and whose cost represents the **alimentary base line**.

Poverty gap ratio = the ratio between the average consumption of a poor person and poverty line, as percentage.

Employment level for the 15-24 age group = proportion of the unemployed aged 15-24 to the active civil population aged 15-24 (unemployed + employed population).

The ILO unemployed = persons aged 15 and over who, during the period of reference, meet the following conditions:
- They do not have a job and do not pursue any activity to earn an income;
- They are job seekers, having tried various methods to find a job during the last 4 weeks;
- They are available to start work in the next 15 days provided they immediately find a job.

Civil employed population = persons that pursue an activity bringing profit in one of the branches of the national economy, that are employed in one economic or social activity on the basis of a labour contract or that are self-employed to earn an income in wage or in kind etc (excluding armed forces).

Domestic and export agricultural subsidies = sums allotted under various forms to natural and / or moral persons within the programmes that financially support agriculture (from the state budget and from other resources).

Prevalence of low height for age = proportion of children with height lower than the corresponding height for the respective age to the total number of children, as percentage.

Gross enrolment rate = number of pupils enrolled at all education levels whether or not they belong in the relevant age group for those levels as a percentage of the population in the relevant age group for that level, in a given school year.

Net enrolment rate = enrolment of the official age group for all levels of education expressed as a percentage of the corresponding population.

Drop-out rate = the share of pupils who dropped out during the school year in the number of pupils enrolled at the beginning of the corresponding school year; the total number of pupils who dropped out school is calculated as the difference between the number of pupils still enrolled at the end of the school year and the number of pupils enrolled at the beginning of the corresponding school year.

Literacy rate (Roma population) = percentage of people (belonging to the Roma minority) having attended or graduated school or able to write and read without having graduated from school from the total Roma population.

Female employment rate = percentage of female employed population from the total number of the female population, aged 15 and over.

Infant mortality rate of children aged 1–4 (per thousand people) = ratio between the total number of deaths of children aged 1–4 and the total number of people, multiplied by 1,000, in a given year.

Infant mortality rate (per thousand live births) = the proportion of deaths of children less than one year old to the total number of live births, multiplied by 1,000, in a given year.

Children one year of age immunized against measles = the ratio between the number of children aged one who are immunized against measles and the total number of children aged one.

Maternal mortality rate (per 1,000 live births) = annual number of deaths of women from pregnancy-related causes per 1,000 live births.

Birth attended by skilled personnel (%) = the percentage of deliveries attended by skilled personnel from the total number of deliveries.

Incidence of HIV/AIDS = ratio of new cases registered in a period to total population.

Contraceptive prevalence rate = the proportion of women and males living in a couple who are using any form of contraception, whether modern or traditional, to the total number of women and males living in a couple. Modern methods are those that require supplies or clinical services, including surgical sterilization, intrauterine devices (IUDs), hormonal methods, condoms and vaginal barrier methods. Traditional methods include withdrawal and the calendar rhythm method.

Prevalence and death rate from tuberculosis (per 100,000 people) = the number of persons that died from tuberculosis, per 100,000 people.

Proportion of TB cases detected and cured under DOTS (Directly Observed Treatment Short Course) = percentage of TB cases detected and cured under directly observed treatment short course from the total number of TB cases.

Proportion of forest areas = percentage of the total forest area to the country's surface.

Surface of protected area to ensure biodiversity = surface of natural protected areas from the country's surface.

Carbon dioxide emissions per capita = total quantity of all types of greenhouse gas emissions provided in the Kyoto Protocol (on the basis of the GWP - Global Warming Potential of the Intergovernmental Panel on Climate Change), divided by the total number of people.

Percentage of the population with sustainable access to water sources = percentage of the population with access to adequate amounts of safe drinking water from the total number of population.

Telephone lines per 1,000 people = proportion of the number of telephone lines to the number of people, multiplied by 1,000.

Telephone lines = the number of telephone lines connecting the subscriber's terminal equipment to the public switched network and which have a dedicated port in the telephone exchange equipment.

Number of PC per 1,000 persons = proportion of the number of PC to the number of people, multiplied by 1,000.