

DECENT WORK COUNTRY PROGRAMME
ROMANIA
2006-2007

Introduction

The primary goal of the ILO is to promote opportunities for women and men to obtain decent and productive work in conditions of freedom, equity, security and human dignity. Decent work country programmes promote decent work as a key component of development policies and at the same time as a national policy objective of governments and social partners. The present country programme is informed by international development agendas such as the Millennium Development Goals, as well as the United Nations Development Assistance Framework (UNDAF) based on the national development objectives. It also takes account of the priorities of the ILO constituents, as expressed in consultations held with them. The programme details the policies, strategies and results required to realise progress towards decent work for all. This document reflects the strategic planning of ILO cooperation activities with Romania for the biennium 2006-2007. Reflecting the constituents' as well as the ILO experts' assessment of past cooperation, the programme aims at ensuring greater synergies and stronger coherence of ILO activities in Romania and thus contribute to achieving sustainable impacts.

I. The current situation from a Decent Work perspective

By signing the Accession Treaty on April 2005, Romania has further moved towards the European Union and looks forward to becoming a new Member State in January 2007. According to the 2005 Regular Report of the European Commission, Romania has complied with the criterion of being a functioning market economy and continues to fulfil the political criteria.

Industry restructuring is now in an advanced phase and the privatisation process is near to conclusion. In recent years, the private sector contribution to the GDP has shown a significant progress. Meanwhile the informal sector has increased significantly. 1.2 million workers are estimated officially to be employed in the informal non- agricultural sector, while the total figure including the agricultural sector is much higher, according to some unofficial estimation.

Poverty in Romania still affects approximately 15%¹ of the population. The hardest hit are the long-term unemployed, farmers and large families. Following the adoption of a National Anti-Poverty Strategy, poverty alleviation efforts in Romania have progressed, although slowly.

Concerning employment policy, youth and long term unemployed have been identified in the National Plan for Development 2007-2013 among the main target groups for active labour market measures. Still, there is a need to improve the effectiveness of these measures in order to increase the employability of vulnerable groups, As regards labour law, significant changes have occurred in recent years. The new Labour Code, adopted in 2003, has been modified in 2005 in order to meet the requirements of an increased flexibility of the labour market. During the whole process of drafting and improving labour legislation, the ILO has provided highly appreciated technical assistance, at the request of the Government and social partners. The legal agenda for the next biennium focus on the enforcement of newly adopted laws , such as employers' insolvency, but also on the improvement of representativity

¹ Source: National Anti - Poverty Commission (CASPIIS)

criteria and labour conflicts settlement mechanisms. Furthermore, in order to comply with the *acquis communautaire*, the implementation of European Workers' Councils, protection of workers' rights in case of transfer of undertakings, part-time work or fixed-term work need to be addressed.

The first major reform of the Romanian pension policy was adopted in 2000, it aimed at addressing the sharp decline in coverage that has occurred over the last decade. The current major challenge of the public pension system is to ensure its long lasting financial sustainability. In this respect, facultative pension schemes and pension funds managed privately are considered as potential solutions by the Government. However, adjustments are still needed in order to ensure equal treatment of women and men in this field.

Transposition of the health and safety *acquis* is almost completed after the recent revision of the General Norms of Labour Protection. Further, Romania needs to ensure the effective application through a trained, independent and well resourced labour inspectorate. The social partners have seen the improvement of occupational health and safety at the work place as a priority of social protection policy.

Bipartite social dialogue is well developed at the national level, but there are important shortcomings that need to be tackled at sectoral and enterprise level. Among the main reasons for this one can count weak representativity criteria and excessive fragmentation, especially among employers' organisations, as well as low unionism rate in small and medium sized enterprises and in the private sector.

Tripartite dialogue which is well structured at national level could still be further enhanced by better improving communication between the Economic and Social Council and (political) decision makers.. Under the influence of the European bodies, there is a general trend for a social dialogue opening to include other groups of the civil society, following the model of the European Economic and Social Committee. Efforts must continue to improve tripartite dialogue mechanisms and to promote bipartite dialogue at the branch and enterprise level.

As an agency of the UN system in Romania, the ILO has actively been involved, through its representative in the country, in the process of setting up a joint UN programmatic framework, under which individual UN agencies will develop their country programme. Guided by national goals and policy priorities, as resulted from the UN Common Assessment (CCA), the United Nations Development Assistance Framework (UNDAF) for Romania focuses on three areas for assistance during the 2005-2009 programme cycle, namely: a) capacity building for good governance; b) economic growth through poverty reduction and employment generation activities, including improved labour conditions; c) basic social services.

The assessment performed by the constituents has revealed that the success of the ILO so far is a result of the timely responses to national needs, the quality of expertise provided, and the ensured follow-up of its interventions in the country. In this respect, it has been recommended that the ILO should continue its involvement in the national process of adapting labour legislation and practice to international labour standards.

II. Priority areas of cooperation

Considering the lessons learned during past cooperation, the ILO will aim at reinforcing the constituents' capacities and enlarging influence of the Office's Decent Work policy in line with the Romanian Development Goals and according to the government's action programme. The strategy will be to work with close involvement of the constituents and widespread promotion of the assistance provided by ongoing projects. In addition, more

emphasis will be put on sharing experiences among neighbouring countries or countries with similar problems through technical cooperation.

Within the overarching theme of “Decent Work for All” the ILO will concentrate on three country programme priorities in Romania in this biennium, which should be seen as long-term goals:

- I. Enhanced capacity of constituents to increase employability of vulnerable groups
- II. Improved social protection policies and coverage
- III. Strengthened industrial relations system

Priority 1: Enhanced capacity of constituents to increase employability of specific groups

Outcome 1: New mechanisms are established to facilitate employment opportunities for unemployed persons including potential victims of trafficking.

The ILO-IPEC will organize a series of seminars to support information exchange and dialogue between Employers` and Workers` Organizations from Bucharest and three selected counties regarding the creation of employment opportunities for youth and potential victims of trafficking including children of legal age, their parents and relatives.

The ILO will facilitate the networking and good practice dissemination among the relevant governmental authorities, social partners and micro-finance institutions.

Career counselling support will be provided to improve youth and adult employment of marginalized communities from selected counties.

Outcome 2: Constituents address the issue of decent work conditions to increase competitiveness in the textile sector.

The ILO will assist the constituents to assess working conditions in the textile sector and improve observation of international labour standards, including freedom of association and collective bargaining, occupational safety and health, wage protection, working hours conventions.

The ILO will organize a training on corporative social responsibility for a number of enterprises in the textile sector

Outcome 3: Employers` organisations contribute to creating employment opportunities.

Employers` organisations will support vocational training activities of the workers of the construction sector and of the food-processing industry.

Priority 2: Improved social protection policies and coverage

Outcome 1: The Romanian public debates the pros and cons of equalizing the retirement age for women and men, especially for low-income women

The ILO will support a national public debate on this issue of equalizing the social security retirement age, including a public opinion survey, the development of educational materials, media articles, and public debates.

Outcome 2: The government satisfies the requirements for ratification of ILO Convention No. 102, Minimum Standards of Social Security.

The ILO will provide advisory services within a national tripartite seminar.

Outcome 3: Employers Workers` organisations set up training programmes for their members, designed to improve working conditions at the workplace level.

A training of trainers' workshop will be organised by the ILO to develop social partners workplace organization for OSH and capacities for training members of OSH committees, to identify and evaluate hazards and propose solutions for management of safety and health at work.

Outcome 4. The Board members of social security institutions improve governance of these institutions

ILO Practical Guide for Board Members of Social Security Institutions in Central and Eastern Europe has been translated in Romanian and will be disseminated within a training seminar on Social Security Governance for trade unions and employers members.

Outcome 5: Constituents are ready to implement HIV/AIDS workplace policies and programmes in partnership with national multi-sectoral bodies on HIV/AIDS.

The ILO Code of Practice on HIV/AIDS and the world of work is translated into Romanian and disseminated through a training seminar for constituents and members of national multi-sectoral bodies on HIV/AIDS.

Priority 3: Strengthened industrial relations system

Outcome 1: The government and social partners agree on a package of amendments to three laws, namely the law on collective labour contracts, the law on employers' associations and the law on labour disputes settlement, to ensure respect of FOA principles including the right to strike.

The ILO will provide legal advice and technical comments on draft laws prepared by the government;

The ILO will organise in cooperation with the European Commission a round table to facilitate a dialogue and consultation between government and social partners with the view to achieving a consensus on the amendments to be introduced into the above-mentioned laws.

A core group of trade union and employers' lawyers and professional judges from Timisoara county will be trained on international labour standards and freedom of association.

Outcome 2: ILO Convention No. 150 on labour administration is ratified by Romania.

The ILO will organise a tripartite seminar to promote the ratification of C.150. The ILO will provide information on the implementation of C.150 in EU countries.

Outcome 3: Action plans are adopted for recruiting new members and to strengthen representation of workers in the MNE.

On the basis of a developed trade union database on the number of MNE in Romania, their level of unionization and the number and nature of International Framework Agreements in force, the ILO ACTRAV will assist trade unions to design and develop action plans for recruiting new members and develop a train-the-trainers program for trade union organizers.

Other Areas of Work

Outcome 1: Policies and strategies to manage the international migration of health care workers are regularly discussed among the constituents, based on updated data.

The ILO will assist in building the capacity on data collection, and ongoing social dialogue with multiple governmental agencies is sustained through national steering groups, as part of the ILO's Sectoral Activities Programme.

Outcome 2: A Child Labour Monitoring System and an inter-agency referral system for identification of children at risk of exploitation, involved in WFCL, are developed and operational.

ILO-IPEC will assist the key stakeholders, including government, trade unions, employers and civil society representatives to produce, upon consultations, a List of Child Hazardous Works, which will be used as a tool for combating the WFCL in Romania. This list will serve as basis of identification of children at risk.

III. Management and implementation

The cooperation programme will be managed through a network among SRO Budapest, the National Correspondent in Bucharest, EUROPE and technical units at headquarters in Geneva. The National Correspondent will play a coordination role together with SRO Budapest. The ILO will continue its cooperation with other stakeholders in the country such as the UNDP, the World Bank and EC Delegation.

The objectives of the programme will be pursued through technical cooperation projects, advisory missions, and seminars for information dissemination and capacity building. Extra-budgetary resources and the ILO's regular budget resources will be used to finance the implementation of this Country Programme. The ILO network mentioned will continue to seek further funding for the follow-up to the results achieved, bearing in mind priority concerns of the constituents. The government and the social partners will facilitate their respective expert staff and premises and provide logistic support, as appropriate. They are committed to implementing the follow-up steps necessary to achieve the expected results.

IV. Performance monitoring and evaluation arrangements

The implementation of the Decent Work Country Programme will be reviewed on a regular basis with the constituents using interactive methods. The missions of the ILO experts and their internal reports will be used as part of the monitoring process. Every six months, the Decent Work Country Programme implementation plan will be internally reviewed by the constituents and the National Correspondent. The SRO Director will assess the programme achievements with the constituents in Romania once per year. On this occasion, adjustments will be made to adapt to the changes, if necessary, in order to improve the implementation strategy, and eventually redefine some of the country programme activities.