

# **Information on social assistance benefits in Romania**

## **A. Social assistance benefits.**

The Romanian law of social assistance, respectively Law no.292/2011, stipulates that the social assistance benefits are being granted to all categories in vulnerable situations, without discrimination.

The right to social assistance measures is guaranteed for all the Romanian citizens, as well as to citizens of other countries, stateless persons and any other person who has acquired a form of protection and resides in Romania, without any discrimination.

## **B. Details about the social assistance benefits in Romania**

The social assistance benefits granted in Romania are financial transfers granted for:

- family and children (**family benefits**);
- preventing poverty and social exclusion risk (**means tested benefits**);
- persons with special needs (**disability benefits**);
- other types of benefits and facilities (**emergency aids**).

**a. Child state allowance (universal right)**, regulated by Law no.61/1993, republished with subsequent amendments. This program is open to all children aged up to 18 years and young people aged over 18 years until the completion of high school or vocational studies organized under the law. Granted on a **monthly basis**, in a fixed amount, without taking into account the revenues of the family. Until 2 years old children receive monthly 200 lei (about 45 euro) as child state allowance and from 2 years up to 18 years as well as young people aged over 18 years until the completion of high school or vocational studies organized under the law the monthly sum is 84 lei (around 18 euro). The children with disabilities with the age between 3 years and 18 years old receive monthly 200 lei (44 euro).

**b. Child-raising indemnity and insertion incentive**, regulated by Government Emergency Ordinance no.111/2010. Law no. 66/2016 modified the GEO no. 111/2010 and starting from July 2016, established new eligibility criteria for parental leave and child raising indemnity. The parents must prove 12 months of income subject to taxation according to Fiscal Code, during the last two years prior to the birth of the child, including similar periods, according to the law. Currently there is only one type of parental leave, until the age of 2 of the child or 3 years old, in the case of children with disabilities. The minimum amount of child raising indemnity has been increased from 1,2 ISR (600 lei), to 85% of the minimum gross wage which is 1,450 lei (1,233 lei) (about 271 euro). The maximum amount of the child raising indemnity has been

established to 85% of the average professional net income earned by the parent, but no more than 8.500 lei (1.868 euro).

**monthly insertion incentive** granted until the age of 3 years old in a monthly amount of 616 lei (50% from the minimum child raising indemnity), if the parent decides to come back to work 60 days before the child fulfils the age of 2 years old (starting from 1<sup>st</sup> of April 2017, the amount will be established at 650 lei, about 145 euro).

**c. Benefits and aids for raising the child with disability:** GEO 111/2010. Granted to persons with children with disabilities, up to the age of 7 years old or granted to the persons with disability who became a parent. According to Law no.66/2016, the amount of the child raising indemnity, for parents who take care of a child with disability, aged between 3 and 7 years old, who are entitled to parental leave, has been increased from 450 lei to **1.233 lei**. Also, the amounts of benefits and aids granted to persons/parents who take care of children with disabilities and also those granted to persons with disabilities who take care of children, have been increased. Amounts between **185 lei (40 euro)** and **555 lei (122 euro)**.

- **monthly benefit for raising the child with disability**, in amount of **1.233 lei /271 euro**, granted to the persons who take care of children with disabilities, aged between 3 and 7 years old, who benefited from the rights established by GEO no. 111/2010 and who choose to continue with the parental leave until the age of 7 years old of the child.
- **monthly aid for raising the child with disability**, in amount of **555 lei /122 euro (45% from the minimum amount of child raising indemnity)**, granted to persons with high/pronounced disabilities, who take care of children with disabilities, aged between 0 and 3 years old, who don't earn any income besides the social assistance benefits for disabled persons.
- **monthly aid for raising the child with disability**, in amount of **432 lei /95 euro (35% from the minimum amount of child raising indemnity)**, granted to persons with high/pronounced disabilities, who take care of children with disabilities, aged between 3 and 7 years old, who don't earn any income besides the social assistance benefits for disabled persons.
- **monthly aid for raising the child with disability**, in amount of **432 lei /95 euro (35% from the minimum amount of child raising indemnity)**, granted to persons who take care of children with disabilities, aged between 0 and 3 years old, who do not fulfill the conditions established by GEO no. 111/2010 for parental leave and child raising indemnity.
- **monthly aid for raising the child with disability**, in amount of **185 lei /41 euro (15% from the minimum amount of child raising indemnity)**, granted to persons

who take care of children with disabilities, aged between 3 and 7 years old, who do not fulfill the conditions established by GEO no. 111/2010 for parental leave and child raising indemnity.

- **monthly aid for raising the child**, in amount of **555 lei /122 euro (45% from the minimum amount of child raising indemnity)**, granted to persons with high/pronounced disabilities, who take care of children aged between 0 and 2 years old, who do not fulfill the conditions established by GEO no. 111/2010 for parental leave and child raising indemnity.
- **monthly aid for raising the child**, in amount of **185 lei /41 euro (15% from the minimum amount of child raise benefit)**, granted to persons with high/pronounced disabilities, who take care of children aged between 2 and 7 years old, who do not fulfill the conditions established by GEO no. 111/2010 for parental leave and child raise benefit.

The new legal provision has been also setting up a new type of benefit for parents who take care of a child with disability and who are active on the labor market, having a part time contract. The new benefit will be 50% from the minimum child raising indemnity (616 lei/135 euro) and can be cumulated with the salary.

**d. Child placement allowance:** Law no. 272/2004. Granted for each child or young person who benefits from the measure of placement to a person, family, guardian, foster parent or to residential care organized by an authorized private body. The monthly amount of the allowance is **600 lei (132 euro)** and is granted from the state budget. For children with disabilities this amount is increased by 50%, reaching to 900 lei (**198 euro**). This allowance is paid until the age of 18 years old of the child and after 18, if the measure of placement is continued after this age.

**e. Guaranteed Minimum Income (GMI)- Law no. 416/2001**, granted to families or single persons with low or no income, in a state of social need, in order to overcome the situation he/she is in. Is established as the difference between the monthly net income of the eligible family, or single person and monthly GMI levels stipulated by law. The right to social aid is established by taking into account the incomes of the family and also the assets of the family.

The benefit is ensured by granting a social aid, differentiated according to the family income and the number of family members (the income includes also the state child allowance).

The amount of social aid is increased with 15% for eligible persons who are employed. According to the provisions of the Law no.416/2001 on the guaranteed minimum income single person receiving social assistance and those who are part of families receiving social assistance are entitled to social health insurance.

**The monthly level for GMI :**

- **0,283 SRI (142 lei) - 31 euro** for single person
- **0,510 SRI (255 lei) - 56 euro** for families of 2 persons
- **0,714 SRI (357 lei) - 78 euro** for families of 3 persons
- **0,884 SRI (442 lei) – 97 euro** for families of 4 persons
- **1,054 SRI (527 lei) – 115 euro** for families of 5 persons
- **0,073 SRI (37 lei) – 8 euro** for each additional person exceeding the number of 5, who is a family member, according to Law.
- **(SRI is the Social Reference Indicator = 500 lei aprox 110 euro)**

**f. Family support allowance**, regulated by Law no. 277/2010, this allowance is designed to ensure better targeting of benefits and sufficient coverage of social assistance measures to families with children and very low income.

Based on means tested (incomes and assets) and granted to families made of husband and wife who take care of their children, those being up to 18 years old, living and contributing to the household together and earning net monthly income per family member up to **530 lei (1.06 SRI) 116 euro**.

The aim of this program is to ensure better financial conditions for raising and caring children and also for their education and stimulates in the same time the school attendance of school aged children from entitled families. School aged children have the obligation of attending school.

**Different amounts for two parents family and single parent family:**

- **for family with average monthly net incomes per family member up to 0,4 SRI (200 lei) (45 euro) are granted the following amounts:**
  - a) 0,164 SRI (**82 lei (18 euro)**) / 0,214 SRI (**107 lei/23 euro**) for single parent family with 1 child;
  - b) 0,328 SRI (**164 lei (36 euro)**) / 0,428 SRI (**214 lei/47 euro**) for single parent family with 2 children;
  - c) 0,4920 SRI (**246 lei (54 euro)**) / 0,642 SRI (**321 lei/71 euro**) for single parent family with 3 children;
  - d) 0,6560 SRI (**328 lei (72 euro)**) / 0,856 SRI (**428 lei/94 euro**) for single parent family with 4 children or more.
- **for family with average monthly net incomes per family member between 0,402 SRI (201 lei) and 1,06 ISR (530 lei) are granted the following amounts:**
  - a) 0,150 SRI (**75 lei (16 euro)**) / 0,204 SRI (**102 lei/22 euro**) for single parent family with 1 child;

- b) 0,300 SRI (150 lei) (33 euro) / 0,408 SRI (204 lei/45 euro) for single parent family with 2 children
- c) 0,450 SRI (225 lei) (49 euro) / 0,612 SRI (306 lei/67 euro) for single parent family with 3 children;
- d) 0,600 SRI (300 lei) (66 euro) / 0,816 SRI (408 lei/90 euro) for single parent family with 4 children or more.

**g. Aid for house heating**, regulated by GEO no. 70/2011 on social protection measures during the cold season, with subsequent amendments - the amount granted depends on the type of heating (centralized system, natural gas, electric energy, wood, coal and oil) and the income of the beneficiaries. The house heating aids are granted in order to compensate part of the costs with house heating during the cold season. These social protection measures are granted to single persons and families whose monthly net medium incomes per family member are up to a certain threshold established by law. The right to house heating aid is established by taking into account the incomes of the family and also the assets of the family. The amounts vary from 16 lei (3,5 euro) to 262 lei (59 euro).

| Levels of incomes | Percentage compensation for house heating in centralized system | Monthly amounts house heating with natural gas: |     | Monthly amounts house heating with electric energy | Monthly amounts house heating with wood, coal and oil |
|-------------------|---|---|-----|--|---|
|                   |   | Single persons                                  | lei |  |   |
| lei               | families  |   | lei | lei  | lei   |
| Up to 155         | 90%   | 100%  | 262 | 240  | 54  |
| 155,1 - 210       | 80%   | 90%   | 190 | 216  | 48  |
| 210,1 - 260       | 70%   | 80%   | 150 | 192  | 44  |
| 260,1 - 310       | 60%   | 70%   | 120 | 168  | 39  |
| 310,1 - 355       | 50%   | 60%   | 90  | 144  | 34  |
| 355,1 - 425       | 40%   | 50%   | 70  | 120  | 30  |
| 425,1 - 480       | 30%   | 40%   | 45  | 96   | 26  |
| 480,1 - 540       | 20%   | 30%   | 35  | 72   | 20  |
| 540,1 - 615       | 10%   | 20%   | 20  | 48   | 16  |
| 615,1 - 786       | 5%  | 15%   |     |  |   |
| 786,1 - 1082      |   | 10%   |     |  |   |

#### **h. Benefits for persons with disabilities**

- **Monthly allowance – art. 58 from Law no. 448/2006**

- Granted to the adult with severe disability, regardless of their income -**234 lei (51 euro)**
- Granted to the adult with pronounced disability, regardless of their income – **193 lei (42 euro)**
- **Monthly complementary budget - art. 58 from Law no. 448/2006 :**
  - Granted to the adult with severe disability and to the family or legal representative of the child with severe disability, regardless of their income – **106 lei (23 euro)**
  - Granted to the adult with pronounced disability and to the family or legal representative of the child with pronounced disability, regardless of their income – **79 lei (17 euro)**
  - Granted to the adult with medium disability and to the family or legal representative of the child with medium disability, regardless of their income -**39 lei (8 euro)**

i. **The educational incentive** which is stipulated by the Law no. 248/2015 on stimulating the participation into preschool education of the children from disadvantaged families. Is granted as a social ticket for increasing their acces to education. The educational incentive is granted to the disadvantaged families if the following criteria are met:

- the child is in the evidence of a preschool unit according to National education Law no.1/2011;
- the monthly income per family member is up to twice the level of minimum income guaranteed for a single person, namely 284 lei;

The monthly value of the educational incentive (social ticket) is **50 lei (11 euro)** for each child.

**C. Regarding the social assistance benefits, in 2016 were registered the following achievements:**

**1. Enacting the Law no. 196/2016 regarding the minimum income for inclusion. The Law will enter into force starting from April 2018**

Description: The Minimum Income for Inclusion is granted for ensuring a minimal level of living and is defined as the threshold/limit up to which are ensured the basic needs, namely: food, clothes, personal hygiene and maintenance and the sanitation of the dwelling.

Compared to the benefits it replaces, **VMI** is based on a threshold of 260 lei compared to 142 lei and **uses** the equivalence coefficients reflecting the distribution of consumption in order to determine the income and also the amount of benefit, **increases** the baseline values from which is calculated the aid for families with children from 107 to 120 lei (+ 12%), the social aid from 142 lei to 260 lei (+ 83%) and the house heating aid with wood from 58 lei 80 lei (+ 38%) and **encourages** active behavior on the labor market by offsetting an amount of 50% of the formal revenues/incomes, but not more than 400 lei per family.

The necessary budget for the implementation of this new program will be 2,1 billion lei for the year 2018 and 2,4 billion lei for the year 2019.

**2. Enacting the Law no. 66/2016 for modifying and completion of the Government Emergency Ordinance no. 111/2010 regarding the parental leave and child raise indemnity**

Description: Removing the options for the parental leave and shifting to one single period, until the child turns the age of 2 (3) years, increasing the minimum amount of the indemnity, the amount of the insertion incentive and of the other benefits provided to the parents who take care of disabled children and the extension of granting the insertion incentive with another year, in case of those parents who decide to return to work at least 60 days before the child turns age 2 (3) years.

**3. Approving the Government Emergency Ordinance no.93/2016 for establishing some measures for administrative simplification in the process of granting social assistance benefits and in the adoption field, and for establishing some budgeting measures for the year 2016**

Description: Administrative simplification in granting the social aid, the family support allowance and the house heating aid. Therefore, is provided the possibility to request in the same time the three social assistance benefits if the person / family meets the eligibility conditions for all, elimination of supporting documents when the information can be verified in other databases, reducing the penalties applied for the family support allowance that would give the entitlement to this right in those situations when one school-age child is not attending the school, and also for those children who during the school semester accumulate more than 20 unexcused absences.