

THE SOCIAL ECONOMY AND THE LEGISLATIVE ENVIRONMENT. CASE STUDY: ROMANIA

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Abstract: Europe's social system has undergone profound changes in the last decade, changes that will cause global challenges and opportunities. An important challenge for the social economy is the transformation of the urban environment into an inclusive one, corresponding to a heterogeneous population that has to cope with an intense pace of change in the economy. Society faces new social problems and states do not have the capacity to adapt to the new challenges. It is therefore necessary to develop new social protection policies that would make a major contribution to reducing inequalities. A solution to citizens' expectations of economic and social issues can only emerge from a joint effort of all EU Member States and the decisions adopted to be implemented in a timely manner. Europe is the most eloquent example of the social problems encountered in all corners of the world, from the equal pay for women and men (stipulated in the Treaty of Rome -1957) to receive treatment in another Member State and the preservation of rights to retire from a job in another country. We can say that we are foreseeing a new world of labor given by technical progress and the growth of the service sector, which means changes in the field of professional training to meet the evolution of the needs of consumers. This may mean some new opportunities and for others an uncertain future.

Keywords: social economy; legislative environment; legislative measures; Romania.

JEL Classification: A13; L38; M31.

1. Introduction.

Integrated social assistance measures are measures to prevent and combat poverty and the risk of social exclusion that integrate into social inclusion process actions that provide the necessary resources for the participation of vulnerable people in the economic, social and cultural life of society.

Social services of general interest are governed by EU directives to Member States, with an increased importance of contracting social services, public procurement and state aid rules. In order to apply these directives, each member country takes into account its own social protection system and specific tradition. Some countries rely

on the private system for the provision of social services and others on the public sector, but predominantly the public-private partnership that also operates in Romania. Through the measures it assumes, social assistance aims at developing individual, collective and group capacities in order to ensure social needs, increase the quality of life and promote the principles of cohesion and social inclusion.

2. Legislative Measures Aimed at the Social Economy in Romania

Given the proven importance of the social economy over the last few years, both in Europe and especially in Romania, it has encouraged the development of fiscal and public policy measures to legislate social enterprises and, more recently, that of insertion.

The Ministry of Labor, Family and Social Protection is the central public authority that develops social assistance policy and promotes the rights of the family, the child, the elderly and the disabled and any persons in need. The main source of financing for social economy forms is the European Social Fund through the Human Capital Operational Program managed by the Ministry of European Funds. The ministries responsible for achieving the Europe 2020 objectives also provide advice to the social partners and civil society through the social dialogue committees.

In Romania, this area has gained momentum and therefore it has been necessary to develop specific legislation. Thus, the Social Economy Law no 219/2015, with its subsequent amendments and completions, which aims to regulate the social economy domain and to establish measures to promote and support it.

The methodological norms for the application of the provisions of Law no. 219/2015 on the social economy, approved by the Government Decision no. 585/2016, provide for the drafting of the county socioprofessional employment plan by the employment agencies for a period of 3 years and contains the following elements:

- a) the objectives established at the level of the county, respectively of Bucharest Municipality, resulting from the consultation and which are in accordance with the following: The National Strategy on Social Inclusion and Poverty Reduction for the Period 2015-2020, approved by the Government Decision no 383/2015, with their action plans, as well as other strategic documents of economic and social development at local, county and Bucharest level;
- b) the measures and actions necessary to achieve the proposed objectives, the deadlines for implementation and the responsible institutions;
- c) sources of financing for the implementation of the county socio-professional insertion plan.

In the following table I will present the incident legislation that regulates all sectors of social economy in Romania, as well as its specific forms, legislation that was developed after the 1990s.

Table 1. The incident of the legal environment of social economy in Romania, 1990-2017.

No.	Name of the normative act	Regulations	Observations
1	Law no 292/2011, as amended and supplemented	Social Assistance Law	In force since December 23, 2011

No.	Name of the normative act	Regulations	Observations
2	Law no 219/2015	Social Economy Law	In force since August 27, 2015
3	Decision no 585/2016	Approves the Methodological Norms for the application of the provisions of Law 219/2015 on social economy	In force since August 29, 2016
4	Law no 196/2016	Law on Minimum Inclusion Income	Minimum Inclusion Income is the state's financial support to ensure a minimum living standard and refers to vulnerable groups
5	Ordinance no. 26/2000	Associations and foundations	In force since April 30, 2000
6	Law no 34/1998, with subsequent amendments	Granting subsidies to Romanian associations and foundations with legal personality, which establishes and manages social assistance units	In force since January 27, 1998
7	Ordinance no 1986/2016	Approves the specific social identity element of the social enterprise	Includes Visual identity manual for the social entity's specific corporate identity element of 04.10.2016
8	Law no 248/2015	Law on Stimulating the Participation in Preschool Education of Children from Disadvantaged Families	In force since January 31, 2016. It establishes the educational incentive in the form of social vouchers.
9	Law no 346/2004, with subsequent amendments	Regulatory measures on the establishment and development of small and medium-sized enterprises	In force since August 01, 2004. The provisions of this law are applicable to associations and foundations, agricultural cooperatives and agricultural companies engaged in economic activities
10	Ordinance no 393/2017	Approves Collaborative Protocol for the Implementation of Integrated Community Services, Needs to Prevent Social Exclusion and Combat Poverty	In force since July 06, 2017. The protocol is made between: the Ministry of Labor and Social Justice, the Ministry of Health and the Ministry of National Education
11	Decision no 383/2015	Approves the National Strategy on Social Inclusion and Poverty	In force since June 26, 2015.

No.	Name of the normative act	Regulations	Observations
		Reduction for the period 2015-2020 and the Strategic Action Plan for the period 2015-2020	It includes strategic action at national level to reduce poverty and promote social inclusion
12	Ordinance no 1240/2017	It regulates the specific criteria for prioritizing investments under priority axis 8 "Development of health and social infrastructure", investment priority 8.1 - Investing in health and social infrastructure contributing at national, regional and local level, reducing inequalities in health status and promoting social inclusion by improving access to social, cultural and recreational services, as well as switching from institutional services to community-based services...	In force since October 30, 2017.
13	Guide from 23.09.2014	Applicant's Guide - Specific Requirements for Call for Proposals no. 173 "Development of the social economy", financed by the Sectoral Operational Program "Human Resources Development" 2007-2013, major field of intervention 6.1 "Development of the social economy", dated 23.09.2014	Issued by the Ministry of European Funds

Source: Author's own research results

3. Conclusions

In recent years a relatively new form of social economy has emerged, namely that of composers, which in most European countries are called "commons". This form appeared in Romania with the return of forests and pastures to the former owners, with different names according to each area of the country.

What has not yet been achieved in Romania is the Social Entrepreneurship Law, which at the time of this article is in the project phase, although at European level was developed "Regulation (EU) no. 346/2013 of the European Parliament and of the Council of 17 April 2013 on European Social Entrepreneurship Funds, which aims to "build an ecosystem to promote social enterprises in the economy and social innovation". This Regulation is necessary in the context of uniform application of social entrepreneurship funds by imposing common obligations in all Member States and reducing the complexity of legislation.

Also, the lack of information on the areas covered by the Europe 2020 objectives is a real challenge for stakeholders in Romania. Difficult access to information affects the social partners from a financial point of view. Policy makers should identify the

financial needs of social economy and the appropriate model for providing financial support.

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