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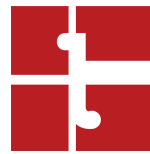
SEED'S Planning Solidarity Economy
Districts for Social, Economic, and
Environmental Sustainability

WP2 – Planning: Reviewing existing frameworks and training needs.
NATIONAL REPORT ROMANIA

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WP2 – Planning: Reviewing existing frameworks and training needs.

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T2.2 Mapping of strategic sector frameworks at local, national, and European level

Romania



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01. Introduction:

Under the WP2 - *Planning: Reviewing existing frameworks and training needs*, desk and field research was conducted on the strategic framework and key stakeholders of the Social Solidarity Economy and Short Food Supply Chains, as well as on the training needs of citizens in Romania. The National Report was realized by mapping strategic frameworks and key stakeholders, with the main purpose to identify intersections, gaps, potential trade-offs and synergies between existing policies and realities, to find clear support and eliminate institutional barriers to change.

02. Analysis of desk and field research findings

Short description of the target group

Under the field research, 4 coaching circles were conducted aimed at young people, elderly people and stakeholders of the social economy and food supply chains.

Participants were selected as follows:

- For the participants of the coaching circle with young people, a non-governmental organization in Romania, which provides services to institutionalized young people, was contacted. The participants are between 18-24 years old.
- For the participants of the coaching circle with elderly people, the Association of Optimistic Women, an NGO formed by intellectual women who have retired from the labour market, was contacted. Participants in this event are between 75 and 85 years old.

The coaching circle with young people and the coaching circle with elderly people were held face to face.

- For the coaching circle with stakeholders and for the mixed coaching circle, experts in the field of social and green entrepreneurship, public policy experts with whom the Association has already collaborated or members of the Association were contacted by e-mail. These two coaching circles were conducted online.

Analysis of desk and field research findings

In Romania, according to art. 2 of Law 219/2015 on social economy, this term describes *all social and economic activities from the private sphere which serve the general interest, the interest of a community and/or the personal non-financial interest, by increasing social inclusion and/or providing goods, services and/or works. Social economy is based on private, voluntary and solidarity-oriented initiatives, with a high degree of autonomy and responsibility, as well as the limited distribution of profit or surplus, as the case may be, to members or associates.*

- **Presentation of sustainability strategies in economy and their target groups**

According to the Romanian law, social economy entities can be of two types: social enterprises and social insertion enterprises. Regardless of the type of social entity, they must first register as a legal person in the form of:

- a) cooperative societies,
- b) credit unions,





- c) associations and foundations,
- d) mutual aid funds of employees,
- e) mutual aid funds of pensioners,
- f) agricultural societies,
- g) agricultural cooperatives
- h) any other categories of legal entities, regardless of the field of activity, which respect the definition and principles of social economy defined by the law.

In order to be eligible for benefits, social economy entities must register with the labour authorities, as a social enterprise or social insertion enterprise. The registering process is free of charge and social economy entities can obtain assistance from the state in completing the procedure.

Social insertion enterprises are eligible for the following benefits from the state:

- a) the right to use public goods (buildings, lands) for carrying out their activity;
- b) support in promoting their products, services and/ or works and in identifying new markets;
- c) other benefits and tax exemptions granted by the local public authorities.

- **Policy framework for Short Food Supply Chains (SFSC) and Solidarity Economy Districts (SEED)**

The short food supply chain is regulated in the Romanian Law under the notion of “direct partnership”, which is *the direct commercial relationship between the trader and agricultural cooperatives, associations of agricultural producers, agricultural production companies, agri-food producers and distributors*. Their contractual relationship must be valid for at least 12 months. (art. 2 para. 1 pct. 19 of Law 321/2009)

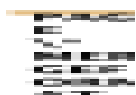
Young people's views about Social Economy Districts (SEEDs) and Short Food Supply Chains (SFFCs):

Following the coaching cycle conducted with young people, it emerged that young people do not know what Social Economy Districts (SEEDs) and Short Food Supply Chains (SFFCs) are. Only one person interviewed was able to say what a short supply chain means and the fact that in Romania there are many intermediaries from the source of the product to the final consumer. As far as the term social economy is concerned, although at first the young people did not know what social enterprises are, after a series of helpful questions, they were able to name cooperatives and give examples of social enterprises they had heard of over the years.

Young people are aware of the benefits of buying local products, but they indicated that in general they do not buy local products for various reasons (lack of diversity in the big stores they buy from, lack of confidence in the quality of products).

The views of the elderly participants in the coaching cycles on Social Economy Districts (SEEDs) and Short Food Supply Chains (SFFCs):

The participants were able to mention cooperatives as social enterprises and exemplified the importance of



cooperatives in Romania before 1989. Following the coaching cycle conducted with elderly, it emerged that they do not know what Social Economy Districts (SEEDs) and Short Food Supply Chains (SFFCs) are.



Participants buy local products, especially those who have relatives in the countryside. They know the benefits of local products and the importance of supporting local producers.

Attitude of economic actors regarding Social Economy Districts (SEEDs) and Short Food Supply Chains (SFFCs)

Participants in the coaching cycle know the terms *social economy*, *Short Food Supply Chain*, *Solidarity Economy District*. All participants were also able to mention the advantages of social enterprises and short supply chains: producing and selling goods and services locally helps to boost local economies; social enterprises have the potential to create jobs in local communities, providing opportunities for employment for people who may find it difficult to find jobs in other sectors; local supply systems and social enterprises can help to increase economic resilience, reducing dependence on global supply chains and making it easier to adapt to economic change; short supply chains facilitate tracking and control over production methods, thus supporting sustainable and socially and environmentally responsible practices; promoting an economy based on social enterprises and short supply chains can help reduce social gaps and inequalities, facilitating access to opportunities for all members of the community.

03. Conclusions and recommendations

The main needs of private stakeholders

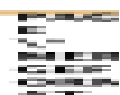
The main needs of private stakeholders – social enterprises and their unions – are related to the limited financial resources for supporting their activity, especially in the case of already-established social enterprises, as most financing schemes target the creation of such entities.

The main needs of public authorities

The main needs of public authorities working in the field of social economy, agriculture and state aid (minimis) are related to the lack of centralized and up-to-date information about this sector and social economy entities. The lack of data refers to: a) research related to the sector, its characteristics and needs, which public authorities need in order to make evidence-based policies and adequate funding programmes, but also b) lack of information about the goods and services provided by social enterprises and their contact information.

Main training needs for the promotion of Social Economy Districts (SEEDs) and Short Food Supply Chains (SFFCs) and connection with the EntreComp and GreenComp Framework.

Both from desktop research and from the 4 organized coaching circles, it emerges that the general population





has a low level of knowledge regarding the terms Social Economy, Solidarity Economy, and Short Food Supply Chains. Except for stakeholders directly involved with the social enterprise sector, the remaining participants have demonstrated limited knowledge of these terms, requiring assistance or prompting to define them. While the interviewed elderly individuals possess knowledge about the agro-food cooperative sector, which was highly popular in Romania before 1989, and actively purchase local products, especially from rural producers, with an understanding of the benefits of buying local, the same cannot be said for the younger interviewees. They struggle to name social enterprises in Romania, do not prioritize purchasing local products, but do have ideas and initiatives to support local production. Many of them exhibit a strong desire to learn and to establish sustainable businesses.

During one of the coaching circles, a young participant took an initiative in this direction, establishing a vegetable and aromatic plant garden in the space where the Metropolis Foundation, which provides services to the interviewed youth, is based.

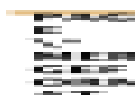
The majority of the participants agree that social entrepreneurship is not developing due to extremely poor legislation. As a small producer, you don't have any tax benefits compared to those engaged in mass production. The government doesn't assist you in any way. All you can do is reach out to the community and tap into the eco-friendly and organic zone to convince the interested community and individuals.

Main training needs:

- ☐ Entrepreneurial education should start from a very early age, so that we can educate children from a very young age why it is important to buy local, to eat seasonal products, to encourage small producers.
- ☐ The need to focus on the soft skills that an entrepreneur should have.
- ☐ The inclusion of digitalization as a way to optimize the processes involved in a business (production, marketing, sales).
- ☐ The need for training in the basics of social entrepreneurship for members of the public administration in Romania who are able to apply social economy law, but in most cases do not know what social economy is.
- ☐ Encouraging campaigns for the general population about local products, why it is important to buy local;
- ☐ Information on marketing, social media, how to promote local or socially-entrepreneurial products and short supply chains
- ☐ Mentoring programmes with experienced social entrepreneurs
- ☐ Including in the trainings the presentation of good practice models in social entrepreneurship and short supply chains

In line with EntreComp, all participants in the coaching circle emphasized the need for experiential learning, the need to work together, through association and through support (mentoring, experience sharing) from experienced entrepreneurs. Other useful aspects to include in the trainings are: developing a business plan - basic concepts, accessible to people without much experience, strengthening marketing ideas, design thinking, promoting the story behind a social business idea.

In accordance to GreenComp, the need to understand the communities they belong to, the need to learn how to



promote local resources without jeopardizing the future, the knowledge of legislation and public policies in the field, are aspects that should be included in the training.



Recommended actions for the promotion of Social Economy Districts (SEEDs) and Short Food Supply Chains (SFFCs):

Promoting Social Economy Districts (SEEDs) and Short Food Supply Chains (SFFCs) involves a multi-faceted approach that addresses various aspects, including policy, education, awareness, and collaboration.

- ② Develop supportive regulatory frameworks: Develop and implement policies that provide a supportive regulatory environment for Social Economy Districts and Short Food Supply Chains, addressing legal, financial, and administrative barriers.
- ② Incentives and funding: Introduce financial incentives, grants, and subsidies for businesses and initiatives engaged in social economy activities or participating in short food supply chains. Very important: to support initiatives already created and not just support the start-up of new businesses.
- ② Training programs: Implement training programs to enhance the skills and knowledge of individuals and organizations involved in social entrepreneurship and short food supply chains.
- ② Educational campaigns: Raise awareness among the public, businesses, and policymakers about the benefits of SEEDs and SFFCs through educational campaigns, workshops, and seminars. To include educational campaigns in schools, from a very early age.
- ② Promoting cooperation, networking and the emphasis on the importance of association between small producers.
- ② Data on impact: Collect data on the social and economic impact of existing SEEDs and SFFCs to showcase success stories and encourage further investment and participation.
- ② Development and implementation of monitoring mechanisms: Develop mechanisms to monitor and evaluate the performance and impact of SEEDs and SFFCs regularly.

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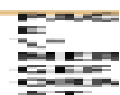
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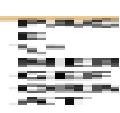
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