

## AN EMPIRICAL STUDY OF ECONOMIC ALTERNATIVES FOR THE ELDERLY IN ROMANIA

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### **Abstract**

*This paper is part of an applied, broad, based popular empirical procedures (such as natural observation) scientific research. The positivist research methodology used was based on consensual-inductive system (Locke), which is why we studied different specialists' opinions on the use of EU funds for the elderly in Romania or employer contributions to voluntary private funds, necessary to formulate the problem of generating relevant information. The used research strategies were the comparative and longitudinal ones, as we analyzed the time evolution in time of the number of pensioners and employees in Romania, in the main time with the EU funding for the elderly, to determine Romania's concrete economic alternatives to support this category of populations. Causality assumptions about the relationship efficient use of EU funds-beneficiaries was inductively built in this paper (by analyzing the European funds management issue in Romania), causally (by cause and effect explanation of the studied phenomenon), deductively, logically and subjectively (on the basis of existence and perpetuation of fund premise conflict between strategic absorption of European funds and regional development). The qualitative approach of the phenomenon studied was made by collecting information (using the mediate data collection technique) has allowed relevant findings and practical solutions necessary for all those involved in this concerted action for the elderly, which affects us all.*

**Key words:** Social responsibility, Private pensions, Elderly, Performance

**JEL Classification** M14, J32, J14, P47

### **Introduction**

Protecting the sustainability of public finances in European countries is a major goal of the EU Council and the European Parliament, due to future demographic changes inserted into the existing Eurostat report. Demographic fluctuations in the next 50 years and the accelerated process of population aging in Europe is outlined important factors influencing the financial and fiscal policies taken by European governments to protect the elderly. Solidarity and social inclusion of individuals in the third age stage is achieved through a series of concrete measures taken in favor of these people, by the stakeholders in this field. An important role in the financial support of social services for elderly is assigned to cash back money from various funding sources. In fact, overt the quality of life for current and future retirees, there works a number of factors. For example, the inflation rate in a country is influenced by the economic dependency ratio of the elderly (Hobijn and Lagakos, 2003). However, legislative changes made by governments in the form of tax benefits, determine attractive investments to employees and employers in the private sector, in the form of pension funds (Ashish, 2005). In addition, the introduction of private pension system in the countries of Eastern Europe has provided a temporary economic stability of these countries (Georges de Menil, 2000). Development of the private pension system involves a proper management of risks, in the context of pension reform (Ivănuș, Isac and Răscolean, 2009). The sustainability of pension funds is influenced by the right decision to invest of their managers (Ciobotea and Oaca, 2011). To achieve an efficient management of risks characteristic to the private pension system, the managers of these funds are supported by political decisions of economic and social cohesion. This policy specific EU solidarity has a strong instrumental character and through its EU funds it contributes to achieve EU sectorial policies (such as regional development policy related to the EU enlargement by creating the pre-accession EU funds). The allocation of EU funds to various municipalities (such as the Portuguese) is influenced by several factors (Veiga, 2012). However, between the structural funds offered by EU and the real convergence of the new Member States which joined the EU in 2004 there is a close correlation (Alexe and Tatomir, 2012)

## Hypotheses and data sources

Considering the data published on various official websites opinions and the opinions of specialists in the field, we felt it was necessary to make a study, no one so far unrealized, on the economic alternatives of elderly in Romania, for which we propose the following hypotheses:

*H1: There is a causal relationship between the evolution in social insurance pensioners, the employed, the unemployed and the population of Romania?*

*H2: There are different answers to the question:*

*What is more advantageous for a company: to give bonuses or optional pensions to employees?*

*H3: Are non-refundable European funds a viable solution for the social sustainability of the elderly?*

## Retirees vs. employees

The perpetual demographic changes and the problems of pension systems in the world require the implementation of social protection of the elderly as a challenge to policy makers involved in this field. In addition, the increase in numbers of older people and their longevity favorable trend led to the increase of pension expenditure due to ensuring the financial sustainability of the systems involved. To achieve this goal of sustainable development for pension systems in Europe and in Romania there is an increased interest for the social economy at the expense of non-refundable EU funds allocated through EU programs. The quality of life of older people and their social integration require specific social services, which are deficient in Romania (Gîrleanu-Șoitu Daniela, 2006) and in other transition countries (Emlet and Hokenstad, 2001). Superficial identification of needs of older people, the quality need of the rural and the existing disparities between urban and rural areas are some of the current problems that the European governments are facing generally and locally in particular. The social exclusion (poverty) that the elderly are facing often generates their marginalization, due to the failure to act on abuses and degradation of family solidarity and continuing differences between generations. The economic problems of the elderly (reduced income, poverty), the social problems (isolation, retirement), the moral ones (breach of their legitimate rights) have negative repercussions on the health of these individuals. In addition, to the increase of critical health of the elderly contribute to their own health care abandonment, their difficult access to medical, preventive and outpatient services and the unhealthy life styles. The substantial reductions in retirement income are deteriorating the social and medical situation of the elderly, which is why social policies are aimed at protecting their income, improving the quality of care offered to them, broadening the possibilities of integration of elderly in the community to which they belong.

The old age problem "is not, in fact, a matter of age, but a matter of the social policy response to the needs of the elderly" (Gîrleanu-Șoitu Daniela, 2002). Because this issue is a continuing concern of international institutions and organizations, trying to raise the community's awareness on the value of these people, the 1<sup>st</sup> October was established as the International Day for the Elderly. Likewise, 2012 was declared by the EU Council and the European Parliament the "European Year for Active Ageing and Solidarity between Generations".

Because the issues that older people are facing affect simultaneously their children and grandchildren, at an European and local level there is an effort to implement some social security for old age as a first level of protection that this group can benefit from. The reducing number of contributors to the social security budget and the increased of social insurance pensioners in Romania imposed the measure of gradual increase in the retirement age, recalculating the public pensions, the organization of three pillars pensions (Pillar I - the public pension system, Pillar II - the mandatory private pension system, Pillar III – the voluntary private pension system).

As the number of retirees evolves differently from one year to another, but often it records an upward trend (as it can be seen in the figures in the table below - Table 1) compared with the evolution of the number of employees in economy, which usually records a negative trend, we think that the government must take stimulus measures to Romanian employers to create new jobs and the maintain existing ones

**Table no. 1**  
**The evolution of social insurance pensioners and farmers, of workers, of unemployed existing in the official databases, of the Romanian population and weights from this information**

Period	Number of state social insurance pensioners and farmers (persons)	Number of employees (persons)	Report retirees / employees	Total number of registered unemployed (persons)	The evolution of the Romanian population (persons)	Share pensioners / total population	Share of employees / total population
June 2007	5.574.300	4.742.800	1,18	354.714	21.565.119	0,2585	0,2199
June 2008	5.528.100	4.827.400	1,15	337.084	21.528.627	0,2568	0,2242
June 2009	5.513.000	4.618.100	1,19	548.930	21.498.616	0,2564	0,2148
June 2010	5.495.000	4.264.300	1,29	680.782	21.462.186	0,2560	0,1987
June 2011	5.424.100	4.185.000	1,30	435.961	19.043.767	0,2848	0,2198

June 2012	5.317.700	4.310.500	1,23	404.114	18.916.735	0,2811	0,2279
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Source: [www.mmuncii.ro](http://www.mmuncii.ro), [www.insse.ro](http://www.insse.ro) and [www.cnpas.org](http://www.cnpas.org)

Considering the data in the table above (Table 1), we conclude the following:

- the share of retirees / employees recorded a positive trend during the analyzed period (June 2007 - June 2012), as the number of employees decreased significantly (on the substantial reduction in the number of employers generated by direct and indirect factors such as economic and social ones which we do not consider here as it is not a subject of this paper, which is why we rely only on statistics published on official websites), while the number of retirees increases;
- the share of pensioners in the total population increases in the period analyzed a lot faster than the share of employees in the population, leading to understandable concern of future retirees that will not be funded by employees who are in an increasingly lower number.

Thus, for stimulating work itself, we consider it necessary:

- to stimulate young families (as well as existing ones) in the conduct of private work (for the case of Hungary), by granting lease of unworked land used in the construction of homes and offices with partial social funds and bank loans with priority interest ;
- to stimulate new businesses created on this land in developing niche economic activities priority in the development of required geographic area and for those employed in these firms to have reduced taxes on pay installments;
- to remove the social benefits or wages granted for bankruptcy to an employer in any field of activity of national economy and granting instead tax cuts on installments, in the case of private development initiatives supported by non-refundable European funds.

The previous conclusions allow us to state the fact that our hypothesis *H1 is verified as there is a direct causal relationship between the development of social insurance pensioners - employed - unemployed – population of Romania.*

For the efficiency and sustainability of the pension system in Romania, a particular attention should be paid to issues related to payments from pension funds in general, and from the private ones especially.

### Payments from private pension funds

Although there are retirees who have left the system after death or other reason, the law on the organization and operation of the private pension payment system is only in a draft form for public debate. However, from the statistics published on official websites ([www.csspp.ro](http://www.csspp.ro)) we can see that payments were made from the private pension funds as the contribution period from less than 5 years after the launch of the mandatory private pension system and the amounts accumulated were enough to pay rent on a range of 10-20 years of retirement. These payments were made differently from Pillar II (Table 2) of Pillar III (Table 3).

Table no. 2

The evolution of payments in Pillar II by category of events

Year	Total of events Pillar II		Deaths		Invalidity		Retirement		Leave as a result of decisions	
	Number	Value	Number	Value	Number	Value	Number	Value	Number	Value
2008	2	121	2	121	0	0	0	0	0	0
2009	64	42.072	52	31.730	2	338	9	8.676	1	1.329
2010	441	424.051	336	286.135	26	14.264	76	120.091	3	3.560
2011	584	743.859	405	499.883	25	15.490	154	228.486	0	0
Total	1.091	1.210.103	795	817.869	53	30.092	239	357.253	4	4.889

Source: [www.csspp.ro](http://www.csspp.ro)

Table no. 3

The evolution of payments in Pillar III by category of events

Year	Total of events Pillar III		Deaths		Invalidity		Retirement	
	Number	Value	Number	Value	Number	Value	Number	Value
2008	69	28.147	61	23.202	2	993	6	4.102
2009	267	310.981	55	60.009	71	71.308	141	179.664
2010	593	1.052.664	84	137.098	162	243.778	347	671.787

2011	862	1.717.290	139	331.993	96	177.511	627	1.207.786
Total	1.791	3.109.082	339	552.302	331	493.590	1.121	2.063.339

Source: [www.csspp.ro](http://www.csspp.ro)

Taking into account the information in the tables above (Table 2 and Table 3) we outline the following conclusions:

- annual increase of events in Pillar II and Pillar III;
- the number of events that have resulted in payments from Pillar II pension fund were lower than those of Pillar III;
- only for Pillar II payments we have the motivation "judicial decision";
- there are fewer cases in number and value of payments on account of Pillar II on the contributors death compared with those of Pillar III;
- the registration of number and elevated paid events of Pillar III pension fund compared to the Pillar II on the account of a disability status of participants recognized and checked from time to time by expert medical committees;
- finding a favorable trend for the number and specific values of payments made from pension fund Pillar III compared to the ones in Pillar II on the account of retirement of contributors.

To support payments from Pillar II and Pillar III pension fund, the increase in contributions and in the number of participants is an important goal of the work undertaken by CSSPP (Supervisory Commission of the Private Pension System - regulatory autonomous administrative authority of prudential supervision and adjustment), this is why the tax deductibility of contributions is a priority in specific primary and secondary legislation. The positive actions of the local supervisory body in the field of pensions will be continued by the Financial Supervisory Authority (ASF), which will assume the duties and powers of CSSPP, in order to improve the sectorial supervision outside the jurisdiction of the European Central Bank.

For the profitability its own activities, the monitoring local body in the pension field works closely with businesses in Romania, both in public sector and private sector. The reducing number of contributors (employers and employees) on the social insurance budget creates serious problems in pension payments, reason for the oscillations between the paid benefits are permanent and depending on the tax laws in this area.

### Voluntary pensions vs. bonuses granted by employers

For each employee in Romania that must comply with current legislation and pressures of the many legislative changes, which is interested in the real wages his employees under the fluctuations of deducting expenses, of eradication of illegal work that can put him to criminal responsibility of imprisonment, the question arises (which is actually the second hypothesis H2):

*What is more advantageous for a company: to give bonuses or optional pensions to employees?*

An eloquent study to find relevant answers to this question was conducted by the Association for Privately Managed Pensions in Romania. Based on simple and comparative calculations in the conditions of deductibility of expenditure of the employer under Pillar III in the limit of up to € 400 annually, outside the employee's own contribution to the same limit, the study highlights the existing advantage of the employee, if the employer accepts this possibility of contribution.

Because we agree with the survey results and we consider that this would benefit both employers and employees, we quote in the table below (Table 4) the benchmark calculations for a person who is an employee, in the 3<sup>rd</sup> group of work (the group in which is assigned the vast majority of employees in the economy of Romania), with a gross average salary identical to that used for funding of the social security budget in 2012 worth 2.117 RON monthly, an yearly deductible expense of the employer (the deductibility limit for Pillar III) of 400 euros (at an exchange rate of 4.4287 RON/€ at 31.12.2012) meaning 147.62 lei / month / employee. In our data table we are using the exchange rate at the end of 2012 and in addition, we believe that the employee wishes to contribute the same amount as the employer (400 euro per year, or 147.62 RON/month) due to tax deductibility granted under the regulations in force. To be noted, however, that we did not use the data for the state social insurance budget for 2013 as is yet not settled and the information needed were not made public by decision makers Romania.

Table no. 4

#### Comparative scenarios for a contributor employer to Pillar III pension fund

Salary calculation model	Scenario 1	Scenario 2
	Increase of salary / bonus	Voluntary pension contribution
1. Gross salary	2.117,00	2.117,00
2. Total gross salary income (2.117 + 147,62 = 2.264.62 lei)	2.264,62	2.264,62
3. Wage tax (rd.3.1. + 3.2. + 3.3.)	373,66	349,32

3.1. Individual contribution to social security (10,5%)	237,79	222,29
3.2. Individual contribution to social health insurance (5,5%)	124,55	116,44
3.3. Individual contribution to the unemployment fund (0,5%)	11,32	10,59
4. Personal deduction (according to prevision of OMFP 19/2005)	120,00	120,00
5. Union dues	0,00	0,00
6. Individual contribution to voluntary Pillar III pensions	147,62	147,62
7. Calculation basis income (rd.2- rd.3 - rd.4 - rd.5 - rd.6)	1.623,34	1.647,68
8. Tax on wage as income 16% (rd.7 x 16%)	259,73	263,63
9. Net payment salary (rd.7 - rd.8 + rd.4 + rd.5 + rd.6)	1.631,23	1.651,67
10. Employer taxes (additional costs for the employer) (rd.10.1.+10.2.+10.3.+10.4.+10.5.+10.6.)	628,43	587,47
10.1. Employer contribution to social security (20,8%)	471,04	440,34
10.2. Employer's contribution to social health insurance (5,2%)	117,76	110,08
10.3. Employer's contribution to unemployment fund (0,5%)	11,32	10,59
10.4. Employer's contribution to the guarantee fund to pay claims (0,25%)	5,66	5,29
10.5. Employer contribution for holidays and compensation (0,85%)	19,25	17,99
10.6. Employer's contribution to the fund of accidents at work and occupational diseases (estimated 0,15%)	3,40	3,18
11. Total cost for 1 person / month (rd.2 + rd.10)	2.893,05	2.852,09

Source: [www.apapr.ro](http://www.apapr.ro), own processing

Comparing the two scenarios in the above table (Table no. 4), we conclude the following:

- in terms of the employee that is personally contributing, along with the employer, it is more advantageous in the long term the employer's contribution to Pillar III, but is more favorable on short-term the bonus which the employer grants in addition to gross payment (we consider that the long-term vision is better on the grounds of ensuring a "peaceful old age" and the financial sustainability of pensions);
- in terms of the contributing employer, along with the employee, it is more advantageous in the long run the contribution to Pillar III, which provides much lower deductible expenses than those for granting bonus to the employee, in addition to monthly gross salary;
- employee's contributions to Pillar III diminish the tax on salary income paid by the employer, but withheld from the employee's gross monthly salary.

According to the above conclusions, we can say that the *second hypothesis H2 is verified as the answers to the question are different, depending on the factors mentioned above.*

To encourage employee and employer participation to Pillar III, we consider it necessary to retain in future legislation, the existing deduction or even increase its value, given the need to ensure financial sustainability of pensions.

### Non-returnable European funds for the elderly

Diversified social services according to the needs are provided for older people in Romania, according to the existing financial liquidity of makers involved in this field. Mainly, these social services are intended for:

- elderly care, prevention of social exclusion, supporting their social reintegration, legal and administrative counseling, support of payments (for services and current obligations as well as home care and household), household help and food preparation;
- socio-medical services (help with personal hygiene, physical and mental capacity accommodation to the realities of today, adapting the house to the needs of elderly, training in economic and socio-cultural activities, temporary care in day centers, night or other specialized centers) ;
- medical services (counseling and medical care).

An important role in achieving social services mentioned above is granted to the social programs for the elderly, developed in partnership with NGOs. However, the state of crisis of social services, changes in the relationship between the informal and formal support of elderly, changes in relationships between public and private systems (Bălașa, 2003).

To perform social services to the elderly, an important role was played by non-refundable European funds on the account of Romania's eligibility in the European Social Cohesion Fund. Since 2007, Romania has defined and implemented the Regional Operational Program (POR), aimed at ensuring sustainable economic and social development of the eight development regions by improving social infrastructure and business environment. Through this POR, European programs were developed, the main recipients being the older people in the 3<sup>rd</sup> age group. We highlight some of these programs in the table below (Table 5), with the explicit highlight of the scope / priority axis, CAEN activity code, the value of social assistance employed and contract signature data.

Table no. 5

## The situation of contracted POR projects with the elderly as recipients

No.	ADR	Project Title	Axis / range code	Activity sector CAEN	Financial assistance employed value (RON or EUR)	Contract signing date
1	2	3	4	5	6	7
1.	ADR North-East	Modernization, development and equipping of the nursing home for the elderly and vulnerable in Todirești village, Suceava county	3	Social infrastructure	lei: 563.265,56	15.07.2009
		Rehabilitation and equipping of the social center for elderly care in Bacău county	1	Urban development	lei: 3.520.796,6	26.04.2012
		Rehabilitation, modernization and equipping of social day center for the elderly in the Crețești village, Vaslui county	3	Social infrastructure	lei: 1.183.379,39	16.05.2011
		Care and support center for older people in the Bogești village, Pogan common, Vaslui county	3	Social infrastructure	euro: 360.956	14.07.2006
2.	ADR South-Vest Oltenia	Integrated Social Service Centre - Centre for Seniors "Magnolia" Tg.Jiu city	3	Social infrastructure	lei: 2.024.216,46	01.10.2009
3.	ADR South Muntenia	Rehabilitation and counseling center for the 3 <sup>rd</sup> age group people in Pucioasa city, Dâmbovița County	3	Social infrastructure	euro: 135.825	29.11.2003
		Multifunctional Center Green House for the elderly in Pucioasa City, Dâmbovița County	3	Social infrastructure	euro: 72.800	29.11.2003
		Care and Support Center "Sf. Andrei" Săcuieni, village Gura Ocniței, Dâmbovița County	3	Social infrastructure	euro: 447.442	14.12.2006
		Renovation and development of social center for the elderly St. Elena Târgoviște, Dâmbovița County	3	Social infrastructure	euro: 197.530	2001
4.	ADR South East	Modernization of the multipurpose social and medical services center for the elderly "Sf.Spiridon" Galați city, Galați County	3	Social infrastructure	lei: 3.248.321	01.10.2009
		Rehabilitation and modernization of the annex center for elderly "St. Petru and Pavel", Brăila city, Brăila County	3	Social infrastructure	lei: 1.984.776	in progress
		Rehabilitation and modernization of existing buildings for reuse for social services, supply with specific equipment including information and communication equipment - Community center for elderly people of 3 <sup>rd</sup> age, Adjud city, Vrancea county	3	Social infrastructure	lei: 1.383.046,06	in progress
		Home for elderly Focșani city, Vrancea County	3	Social infrastructure	lei: 2.791.144	finalized
		Modernization of the elderly home in Mangalia city, Constanța county	3	Social infrastructure	lei: 2.296.519	finalized
1	2	3	4	5	6	7

		Rehabilitation of home for the elderly – utility and canteen body	3	Social infrastructure	lei: 2.866.473	finalized
4.	ADR South East	Expansion and rehabilitation of existing building to establish a Centre for assistance and support for the elderly in the village Fitionești, Vrancea County	3	Social infrastructure	lei: 3.027.216	in progress
5.	ADR Center	Increasing of energy efficiency in the home for the elderly "Dr. Carl Wolf" in Sibiu by partial insulation of the building and modernizing of the heating domestic water installation	3	Social infrastructure	lei: 798.689,34	12.08.2008
		Establishment of a new social center for the elderly in the Valea Izvoarelor village, Sânpaul common, Mureș county	3	Social infrastructure	lei: 3.467.317,69	12.08.2008
		Social rehabilitation and expansion of the settlement for elderly "Sf.Andrei" in Bărăbănt common, Alba county	3	Social infrastructure	lei:3.939.377,04	12.08.2008
		House of Seniors - integrated social center for the elderly in Agnita, Sibiu County	3	Social infrastructure	euro: 204.090	Phare Program 2006
6.	ADR North-Vest	Residential center for older people Dumbrava-Șuncuiuș, Bihor county	3	Social infrastructure	lei:3.492.951,74	2009-2011
7.	ADR Vest	Restructuring the Blaj home for the elderly and the transfer of disable persons in two protected houses	3	Social infrastructure	euro: 316.952	28.02.2008
		Restructuring the Sebeș home for elderly and the transfer of disabled people in three protected houses	3	Social infrastructure	euro: 438.165,50	29.11.2005
8.	ADR București-Ilfov	Center for Social Services for the elderly in the neighborhood Ion Creangă, sector 2, Bucharest	3	Social infrastructure	lei:3.575.102,97	15.03.2011-15.12.2012

Source: [www.cjd.ro/fisiere/cjd/strategii/strategie\\_pers\\_hand\\_2006.doc](http://www.cjd.ro/fisiere/cjd/strategii/strategie_pers_hand_2006.doc)

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Although at first glance the efficient use of EU funds for the elderly seems undeniable, nongovernmental and professional bodies (such as the Academic Society of Romania and European Funds Professional Commission) by analyzing the published reports we have highlighted many issues, which include:

- the negative repercussions of strong centralization of the institutional, legal and procedural frame (inability to prioritize European projects based on local needs of development, not encouraging the strengthening of the administrative capacity of regions to shape regional development strategies), due to the lack of subsidiarity;
- poor absorption rate of POR (in terms of domestic payments to beneficiaries);
- large number of complaints from the public procurement;
- limiting the ability of beneficiaries in project preparation;
- activity overcrowding of the Regional Development Agencies (ADRs);
- slow appointment of independent evaluators;
- delay or inability to obtain credits;
- poor planning and strategic targeting of objectives of the National Development Plan for 2007-2013, due to the improper correlation with POR targets;
- delays in cash flow to ADR and beneficiaries, reason for which it was founded in October 2010 the Authorization Service of Technical Assistance to the Managing Authority;
- poor quality and slow progress of the project, due to disorganization of the Unique Management Information System (SMIS) on a regional basis, which does not allow the periodic regional analyzes of repayments of funds.

To remedy the problems mentioned above, the recommendations made by the same bodies (which we share) are:

- consideration by all stages of management of funds destined to particular situations of each region, and the realities of the regions to be adjusted according to local and regional objectives;
- increased prioritization of strategic projects under the regional strategy for 2014-2020;
- shaping the legislative framework designed to maintain the appropriate decentralization mechanism (e.g., changing of Law no. 315 on regional development in Romania);
- establishment of a unique model for activity reports, through which the relevant information on project implementation are transmitted;
- the horizontal coordination of the projects, on the terms of public accountability and legal background of partnership structures involved in fund management;
- for social infrastructure projects (such as those for the elderly) the cost-benefit analysis of the project correlated with cost effectiveness (thus allowing evaluation of interventions aimed at improving the lives of the elderly).

European projects through which there have been applied measures to ensure the social sustainability of elderly should be continued with maintenance of establishments created, the continuity of social services from other local funds on behalf of social solidarity between generations. Taking into account the issues raised and proposed measures for continuous and efficient absorption of non-refundable EU funds, we appreciate that our *last hypothesis H3 is verified provided for the continuing hard work for the elderly by all those involved in this field.*

## Conclusions:

Promoting measures for active aging is an important measure that is part of the national development strategy 2014-2020.

Considering that the three assumptions made by us, which are the "skeleton" of our work, are met. However, we recognize that our study has some limitations, resulting in:

- lack of comparisons between cohesion and social sustainability for elderly policies between our country and other countries;

- lack of comparisons between direct causal relationship retiree - employee in our country to other countries.

Considering the above limits, we outline the following research perspectives in this field:

- comparative analyzes between financial and tax regulations relating to pension system and EU funds in Romania compared to other EU countries;

- comparing the implementation degree of EU funds for the elderly in Romania compared to other European countries through cost-effective analysis.

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