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# Living conditions in Romania

## ***Incomes and taxation***

As of January 1<sup>st</sup>, 2018, some changes to the Fiscal Code entered into force, regarding the social contributions, which are now transferred to the employees. As of 2018, there are only 3 contributions - health insurance contribution (10%, paid by the employee), pension contribution (25%, paid by the employee) and employment insurance (2.25%, paid by the employer). The employer deducts the respective contributions from the gross salary of the employee.

In July 2018, the national nominal average gross wage was RON 4510 (approx. EUR 968), and the nominal average net wage was RON 2708 (approx. EUR 581).

There are differences in income between the western and eastern regions. Higher incomes are available in the more developed regions (Bucharest-Ilfov, North-West, West), with Bucharest offering the highest incomes in the country.

The standard VAT rate is 19%, as from 2017. There are also reduced rates: (9% on medicine, water, hotel accommodation, food, restaurant and catering services, and 5% on books, school textbooks, magazines and access to school and sports events, access to museums, memorial houses, fairs, exhibitions, new housing not exceeding RON 450 000 and with a maximum useful area of 120 m<sup>2</sup> built on a plot of land of maximum 250 m<sup>2</sup>, etc.), and exemptions, in accordance with the Fiscal Code.

## ***Cost of living***

Cost of living varies from region to region and according to the environment where citizens live (urban or rural).

According to the INS (National Institute of Statistics) press release concerning the revenues and expenses of households in Q1 2018, the structure of total consumption expenditure broken down by use indicates that most expenses (34.3%) relate to the purchase of agri-food products and non-alcoholic drinks. Housing and water, electricity and natural gas accounted for 19.0% of household consumption. Other household expenses were for leisure and culture (2.9%), transportation (6.5%), healthcare (5.2%), communications (5%), clothing and footwear (5.9%), home furnishings and maintenance (5.7%), etc.

## ***Accommodation***

Housing may be obtained either by renting or by buying real estate. Rented homes may be furnished or not. It is also possible to rent a room in a house or apartment where the owner lives. Rents are higher in Bucharest and large cities (e.g. Timișoara, Iași, Cluj). Rental agreements are made in writing and signed by the landlord and the tenant and authenticated by a notary public. In most cases, the rent is paid in cash, on a certain date every month. The utility bills, such as water, electricity and heating bills are not, as a rule, covered by the rent and are paid regularly by the tenant.

When purchasing real estate, a sale-purchase contract is drawn up, and other formal documents proving that the property is vacant and is not encumbered by the owner's debts are also required. The contract is concluded before a notary public.

The value of the rent or the price of the home purchased varies depending on location (urban or rural, downtown or in the suburbs, the importance of the city or of the tourist area), access roads, the condition of the property, the surface area, the size of the land, etc.

According to the Imobiliare.ro index for August 2018, the average price per square meter of useful area for newly-built housing was EUR 1346 in Bucharest, EUR 1483 in Cluj, EUR 1206 in Timișoara and EUR 1150 in Constanta, while the average price per square meter of useful area for old apartments was EUR 1231 in Bucharest, EUR 1566 in Cluj, EUR 1203 in Timișoara and EUR 1138 in Constanta.

In order to make informed choices when selecting housing, we recommend that you contact real estate agencies, access the relevant websites, or read specialized newspapers or magazines.

## **Health system**

Any person covered by insurance in accordance with the law is entitled to healthcare assistance from Romanian healthcare providers. Services are covered by insurance based on set-value contributions.

As an EU citizen, if you get sick during a temporary stay in Romania, you are entitled to any treatment that cannot be postponed until your return home. You are entitled to the same medical treatments as Romanian nationals. It is preferable that you have on you your European health insurance card. Participation in a social insurance system for nationals of a Member State of the European Union can be demonstrated using form S (formerly form E).

Social health insurance provides access for the insured persons to a package of basic services. Social health insurance is compulsory.

The public body responsible for administering the national social health insurance budget is the National Health Insurance Agency (CNAS), together with its local branches. Certain categories are insured without having to pay any contribution:

- \* children aged 18 or less, or young people under 26, provided they pursue higher education studies;*
- \* persons politically oppressed in the past, veterans, invalids and war widows;*
- \* persons with disabilities without income;*
- \* pregnant women and women who have recently given birth, if they do not earn income or their income is lower than the national gross minimum wage.*

All the persons insured under the public health fund are entitled to medical services such as medical consultations, prescriptions, and basic hospital care. Some categories of persons (e.g. pensioners, persons suffering from cancer) are entitled to subsidized or free prescriptions, or reduced consultation prices.

Primary medical assistance is provided by general practitioners. These practitioners provide medical services for insured and non-insured patients. They can provide essential medical care (e.g. first necessity interventions in medical and surgical emergencies, assistance for acute cases, monitoring chronic illnesses, preventive medical care), extended medical care (e.g. family planning, certain minor

surgeries) and additional medical care (e.g. procedures and techniques of medical practitioners requiring special facilities).

Medicine not requiring a medical prescription may be purchased from any pharmacy.

The private healthcare system, too, offers wide access to medical specialists and high-quality medical equipment. In general, private clinics offer subscriptions and private health insurance as payment options.

## ***Educational system***

The national pre-university system is structured on 4 levels:

1. pre-school, which includes a first year, a second year and a third year, in preparation for school;
2. primary, which includes the preparatory year and grades 1 to 4;
3. secondary, which includes:
  - a. lower secondary school, which includes grades 5 to 8 and the lower grades of high school or arts and crafts school (grades 9 and 10);
  - b. upper secondary school, which includes the upper high-school grades (10 to 12/13);
4. post high school.

On completion of secondary school, the highest level of qualification is the baccalaureate examination. The baccalaureate examination is a prerequisite for access to higher education.

Higher education is structured on three levels:

*Bachelor's courses;*

*Master's courses;*

*Doctoral studies.*

Compulsory general education consists of 11 grades and includes primary school, lower secondary school and the first two grades of upper secondary school. The state educational system is free of charge. Fees are charged, however, for some activities, as provided for by law. The Romanian language is used at all levels. Education may also take place in minority or international languages. The state educational institutions are predominant compared to the private ones.

The educational system is organised as full-time and part-time. Attendance-based education is mandatory. Home-based learning may be arranged for children with special educational needs or who cannot be moved.

## ***Cultural and social life***

Social and cultural life in Romania is rich and diverse. Natural, historical and artistic beauty makes the country unique and getting to know it is a perfect occasion to get in touch with a special culture and society.

If you visit the historic city centres, you will be able to participate in various cultural events, such as book launches, fine art exhibitions or hand-made product fairs, and concerts. At the same time, there are important events such as opera festivals, medieval art shows, festivals based on traditions and folklore, jazz festivals and city days. In large cities, you can go to the opera or to the theatre, visit museums and or botanical gardens, or you can watch sports competitions.

If you go out of town, you can take trips or ski in the Carpathian Mountains, you can sunbathe in the Black Sea resorts or visit the medieval castles and fortresses of Transylvania and the churches of northern Moldavia, which are UNESCO world heritage sites. The Danube Delta is also an ideal destination if you want to stay amidst a fauna and flora that are unique in Europe or if you want to experience rural tourism.

The traditional Romanian cuisine and wines are famous all over the world. Traditional meals are related to the history and geography of the Balkan Mountains. Do not forget to visit the Bran Castle, the place where Dracula's legend was born, the caves, which are genuine speleological jewels, and the Merry Cemetery in Săpânța.

For professional advice on how to spend your leisure time and holidays in Romania, you can contact local travel agents.

## ***Private life***

### **Birth**

Birth certificates are issued by the local public records office within the mayor's office, on the basis of the parents' identity documents, the medical certificate stating the birth (issued by the hospital where the birth took place or by the local medical centre if the birth took place at home) and the parents' marriage certificate. The birth certificate contains the personal number issued for the child. The child becomes a Romanian citizen if at least one of the parents has Romanian citizenship.

### **Marriage**

Only civil marriages are recognised for legal purposes. A marriage may take place if the future spouses are at least 18 years old. By exception, a person may marry at the age of 16, on justified grounds, based on a medical certificate, with the agreement of that person's parents or guardian and with the approval of the family court with jurisdiction where the minor resides. Persons who wish to marry have to submit an application to the mayor's office, not later than ten days before the planned date of marriage. The documents required include the identity documents, medical certificates, birth certificates, a statement by the future spouses that there is no legal impediment to their marriage, and the receipt for the stamp duty. The marriage is concluded at the local public records office with jurisdiction where one of the spouses is resident. The ceremony has to be attended by two witnesses. The Registrar issues marriage certificates on the spot.

In the case of a marriage between foreign nationals or between a foreign national and a Romanian citizen, if one of the spouses does not speak Romanian or one or both spouses are deaf and/or mute, an authorised interpreter has to be present, and a report drawn up.

### **Death**

Death certificates are issued by the local public records office with jurisdiction where the death occurred, on the basis of a verbal statement made by one of the deceased person's family members,

by neighbours, or by a physician, as the case may be. Other documents required: the medical certificate confirming the death, the identity document of the person making the declaration, the deceased person's identity document and the deceased person's birth certificate. Close relatives of the deceased person may receive financial aid to cover the funeral costs.

## ***Transport***

Romania has a wide network of railways and international, national and county roads, as well as airports.

The following motorways are available: Bucharest–Pitești, Sibiu-Deva, Bucharest-Ploiești; Bucharest – Constanța and Arad-Timișoara. Other motorways are currently being built. There are no tolls on motorways.

To drive on national roads or motorways, car owners must pay a road charge called a 'rovignette'. You can buy one for 7 days, 30 days, 90 days or 12 months. For a car, the cost of a rovignette for 7 days is EUR 3, for 30 days - EUR 7, for 90 days - EUR 13 and for 12 months EUR 28.

The Highway Code sets the speed limit at 130 km/h on motorways, 100 km/h on express roads or European national roads (outside built-up areas), 90 km/h on other categories of roads, and 50 km/h in built-up areas.

There are a number of concessionary fares for passengers travelling by train, local buses or inter-county buses. For example, in Bucharest, the following persons are exempt from fares: children under the age of 7, war veterans, persons with disabilities, and all categories of pensioners. High school and university students attending day classes benefit from discounts of 50% of the monthly transport card. For railway transport, university students attending day classes in public and accredited private establishments are exempt from fares on all categories of second class trains all through the calendar year; students under compulsory, vocational education, including accredited/authorised post-secondary and secondary education, benefit from discounts of 50% for all categories of second class trains, and pensioners benefit of 6 one-way travels discounted of 50% from the fare for regional or interregional second-class trains.

Transport on the Danube or the Black Sea is based on port cities such as Constanța, Agigea, Brăila, Galați, Tulcea, etc.

Moreover, Romania has several international and national airports (Bucharest, Timișoara, Sibiu, Oradea, Cluj, Iași, Constanța, Suceava, Baia Mare, Arad, Satu-Mare, Bacău, Craiova, Tulcea, Tg. Mureș). All Romanian cities and towns have local public transport. Buses are the most widespread means of transport. Larger towns also have trams and trolley buses. The Bucharest underground network has 4 main lines and 53 stops connecting the 6 city sectors (the price of a two-journey card is RON 5). Local bus fares are reasonable, i.e. between RON 2 for a journey and up to RON 4 for 2 journeys, varying from city to city. A large share of the population uses public transport.