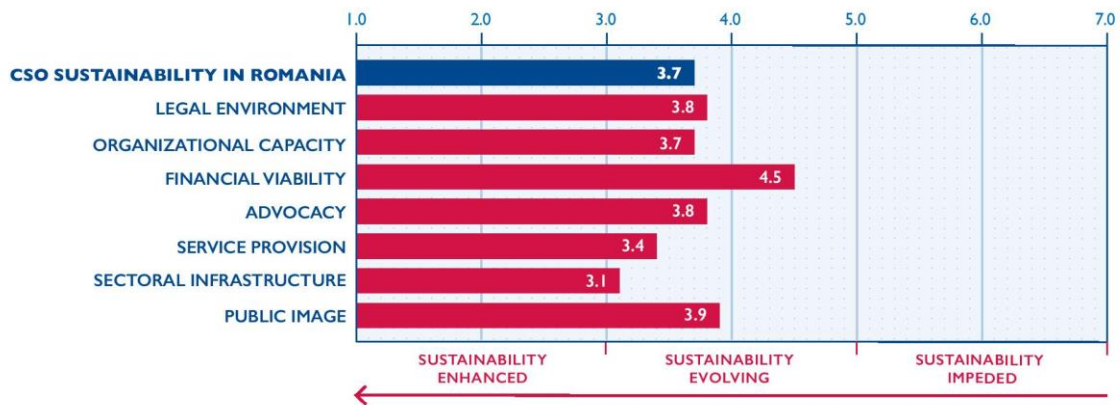


ROMANIA

Capital: Bucharest
Population: 21,457,116
GDP per capita (PPP): \$24,600
Human Development Index: Very High (0.811)
Freedom in the World: Free (84/100)

OVERALL CSO SUSTAINABILITY: 3.7



Discussions about corruption again dominated the public agenda in Romania in 2018. Claiming that it needed to fix abuses by the judiciary, the governing coalition amended three major laws governing the justice system to establish a special prosecutorial section for investigating offenses by magistrates and increase the role of the Ministry of Justice in the appointment and dismissal of chief prosecutors. According to official criticism by the Venice Commission, this change would weaken the role of the Superior Council of Magistracy in insuring the independence of the judicial system. In July, the Minister of Justice dismissed the chief of the Anti-Corruption Directorate, under whose leadership nine current or former ministers, twenty-seven members of parliament (MPs), and one member of the European Parliament had been sentenced for corruption, a year before her term was scheduled to end. The parliament also passed several changes to the Criminal Code, for instance decriminalizing many offenses that previously fell under the definition of abuse of office. However, many of the latter changes were deemed unconstitutional and were pending parliamentary review by the end of the year.

CSOs continued to express concern that the government is threatening judicial independence and the fight against corruption with these actions. While civic protests were smaller than in the previous years, Romania made international headlines on August 10, when the riot police responded violently to an overwhelmingly peaceful protest in front of the government. CSOs also made a significant contribution to protecting the rights of lesbian, gay, bisexual, transgender, and intersex (LGBTI) individuals during the year, successfully advocating for a boycott of a referendum on a constitutional restriction of the definition of family.

Overall CSO sustainability deteriorated in 2018, with negative developments noted in all dimensions except sectoral infrastructure. The legal environment for CSO operations deteriorated with increasing attempts to regulate the operations and finances of associations and foundations in a manner that would place excessive burdens on CSOs. In addition, negative tax policies came into effect and public officials vilified CSOs. CSOs had limited access to traditional funding sources and staff turnover increased. In addition, CSOs provided fewer services and served fewer beneficiaries during the year. Cooperation with the government continued to weaken and public authorities discouraged citizen and CSO involvement in policy-making processes. Meanwhile, high-ranking government officials and politicians increasingly used negative rhetoric and accused CSOs of being foreign agents.

The National Non-Governmental Organization Register included 107,774 registered CSOs at the start of 2019, an increase of 6,093 in the past year. However, organizations registered in 2018 might not be represented on the

Register until later in 2019, as courts are not subject to a deadline for updating the registry. Most registered CSOs are associations (87,183) and foundations (18,456). It is estimated that only half of registered CSOs are active.

LEGAL ENVIRONMENT: 3.8



The legal environment for CSO operations deteriorated in 2018, as Romanian legislators and public authorities increasingly attempted to regulate the operations and finances of associations and foundations. If adopted, the regulations would be excessively burdensome on CSOs, creating considerable unpredictability and concern in the sector. In addition, new tax policies entered into force at the beginning of 2018 that negatively affected CSOs, riot police reacted with violence to protests, and public officials vilified CSOs.

In 2017, two MPs from the main governing party introduced a drastic proposal to revise Government Ordinance (GO) 26/2000, which regulates the establishment and functioning of CSOs. Among other concerning provisions, the proposal would impose

extremely harsh reporting obligations on CSOs, including requirements to publish information on all donors, no matter how small, in the official legislative gazette twice a year at CSOs' own expense, under the threat of dissolution. The proposal met with significant international criticism, with the Venice Commission and the Organization for Security and Cooperation/Office for Democratic Institutions and Human Rights (OSCE/ODIHR) issuing a common opinion stating that the rules regarding CSO reporting should be removed. Despite this, the proposal was included in the agenda for the extraordinary parliamentary session in June. However, no final vote had been cast by the end of 2018.

Two other legislative initiatives that would modify GO 26/2000 were also proposed in 2018. One would impact agricultural associations and the other modifies the criteria for public utility status. Although neither was adopted by the end of the year and both would have limited impact, their introduction added to CSOs' general insecurity about their operating environment.

The process of awarding public grants, which account for about 2 percent of the sector's income, is plagued by a lack of transparency and clear guidelines. Another draft law proposed by the government is meant to address these concerns by clarifying some of the obsolete references to the public procurement regime in the grants law and better detailing the procedures. The Romanian Center for Nonprofit Legislation conducted consultations with various CSOs and submitted a set of recommendations aimed at addressing concerns that the anticipated benefits of introducing more clarity and helpful guidelines for financing authorities might be counterbalanced by a total lack of flexibility and misunderstanding of the particular features of nonprofit activities, as opposed to for profit activities.

The government also revisited the topic of CSO reporting requirements in the context of an EU directive on preventing the use of the financial system for money laundering or financing of terrorism. The draft law aimed at implementing this directive obligates CSOs to report the identification data of their "beneficial owners" to the government, while applying the term "beneficial owner" to every single person assisted by a CSO. Failure to comply subjects a CSO to severe sanctions that may lead to dissolution. Moreover, without performing any risk analysis (although mandatory according to the European Commission and Financial Action Task Force (FATF) international standards), civil society is placed in the same category of financial risk as providers of gambling services and banking institutions. CSOs strongly criticized the draft law and engaged in intense advocacy efforts to convince MPs to promote amendments that would correct these provisions. No changes were made in the form adopted by the parliament in October but, because of a legal complaint filed by some MPs to the Constitutional Court, the draft law did not enter into force in 2018 and was sent back to the parliament in December for reexamination.

New tax policies entered into force at the beginning of 2018 that negatively affected CSOs. Corporate donors are eligible for a deduction for sponsorships¹ up to 20 percent of their owed income tax, or up to 0.5 percent of their annual turnover, whichever is lower. However, this deduction is only available to those that owe income tax, the number of which decreased dramatically beginning in January 2018, as companies with turnover lower than EUR 1 million now only pay turnover tax. The Association for Community Relations mobilized a significant number of CSOs to express their concerns about this change to the Ministry of Finance. As a result, a partial remedy was enacted in March through Emergency Ordinance 25/2018, in which turnover taxpayers were also allowed to deduct up to 20 percent of the tax owed, but only if the sponsorship was made to an authorized social service provider with at least one licensed service, a designation held by only approximately 5 percent of all active CSOs. Many organizations, including authorized social service providers, objected to this discriminatory regime. The case of Daruieste Viata Association, which built a hospital to serve children with oncological conditions without being an authorized social service provider, became the centerpiece of a public campaign that led to the adoption in December of amendments making this benefit available to all CSOs.

Individual taxpayers have long had the option of directing up to 2 percent of their owed income tax towards a CSO or church, or to individual scholarships. While the tax on personal income was cut from 16 percent to 10 percent, in March, the government raised the percentage of owed income taxes that can be redirected to 3.5 percent, while similarly limiting the potential beneficiaries to authorized social service providers with at least one licensed service. Following critical public reactions similar to those focused on the changes in the sponsorship rules, the law was eventually amended in December and the increased benefit can be targeted to all CSOs in 2019.

All recipients of sponsorships and individual income tax allocations must be registered with the Registry of Entities Benefiting from Fiscal Deductions. In 2018, this registry introduced new disclosure requirements that place additional administrative burdens on CSOs. CSOs must now file declarations confirming that they operate in the field they were legally registered for at the moment of their legal establishment. In addition, in order to benefit from fiscal deductions, CSOs must not have unpaid state budget obligations for more than ninety days or be declared officially inactive. While the national fiscal authority is responsible for determining if taxes are owed at the central level, CSOs must obtain a certificate confirming that they do not owe local taxes.

In August 2018, the government issued an ordinance that gives the Economic and Financial Inspection Department of the Ministry of Finance responsibility for verifying the use of funds and goods received by CSOs through sponsorships. CSOs are concerned that this additional state control on funds received as sponsorship may be used as a political instrument, since the department reports directly to the minister, instead of being part of the autonomous National Agency of Fiscal Administration, which is traditionally responsible for verification of fiscal matters.

Freedom of assembly and association were severely threatened during and after the protests in Bucharest on August 10, to which the riot police reacted with disproportionate violence. In September, the Minister of Interior announced upcoming modifications to the law on public assembly that would limit and censor public gatherings based on subjective evaluations of the purpose of the protests. In October, the Romanian High Court of Cassation and Justice ruled that any individual may be subject to sanctions if he or she takes part in a protest in front of a public building that was not previously announced.

Public officials increasingly vilified CSOs and individual activists in 2018. Liviu Dragnea, the leader of the Social Democratic Party, explicitly recommended that the independent media outlet G4Media, legally organized as a nonprofit entity, be inspected by state authorities to verify its sources of funding. Also upon Dragnea's request, the Data Protection Authority summoned the RISE Project, an organization focused on investigative reporting of organized crime and corruption, to disclose the sources of its investigations regarding Dragnea, threatening to impose criminal penalties and fines of up to EUR 20 million for failure to comply.

CSOs are legally able to fundraise and earn income, as well as to compete for public funds. CSOs, trade unions, and business associations remain exempt from income tax up to EUR 15,000 on earned income per fiscal year or up to 10 percent of total tax-exempt income, whichever is lower. Revenue from grants and sponsorships is not subject to income tax.

¹ In Romanian law, the term "sponsorship" refers to any financial flow from a legal person to a CSO, while a "donation" refers to a financial flow from an individual to a CSO.

CSO registration did not undergo any changes during the year. The registration process is still lengthy and subject to complex official procedures.

Legal advice for CSOs remains limited compared to the needs of the sector. CSOs in rural communities, in particular, struggle in this regard.

ORGANIZATIONAL CAPACITY: 3.7

The organizational capacity of CSOs in Romania deteriorated slightly in 2018 due to growing staff turnover. The increase in the gross minimum wage from EUR 312 to 410 a month affected CSOs with employees paid at this level. Furthermore, salaries have increased in both the private and public sectors, thereby shrinking the available pool of CSO staff and amplifying the turnover rate. Some CSOs are trying to attract more volunteers in order to compensate for reductions in staff. However, volunteering is still not common in Romania. According to the Charities Aid Foundation's 2018 World Giving Index, only 6 percent of respondents in Romania reported that they participated in voluntary actions during the reporting period in 2017, down from 9 percent the previous year.



Flash Eurobarometer 455: European Youth 2018, which studies European youth aged fifteen to thirty, confirmed the low rates of volunteerism in the country. According to this survey, only 8 percent of respondents in Romania had participated in the activities of a cultural organization in the last twelve months; 7 percent had participated in the activities of a local organization aimed at improving the local community; 5 percent had participated in the activities of an organization promoting human rights or global development; 4 percent had participated in the activities of an organization active in the area of climate change and environmental issues; and 8 percent had participated in the activities of any other NGO. These levels of youth participation are below the EU average, as determined by Flash Eurobarometer.

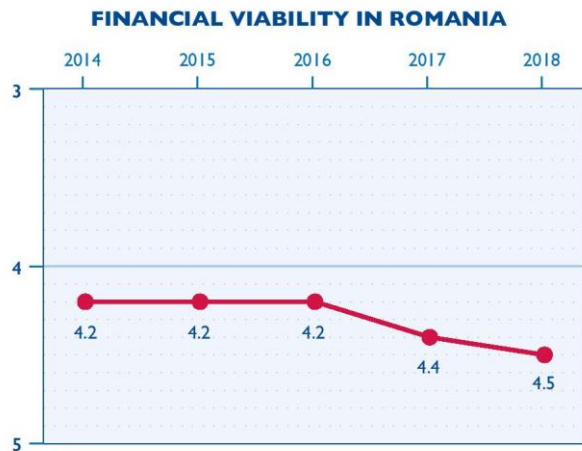
The majority of CSOs have missions and visions and acknowledge the need for strategic planning. In general, strong CSOs have clearly defined strategic plans while less established, smaller CSOs develop their activities based on ad hoc opportunities and decisions, in part because they have less resources and capacities to engage in strategic planning.

There were no noticeable changes in the internal management structures of CSOs in 2018. A large number of CSOs have boards, but management is generally carried out by CSO leaders with very little assistance, supervision, or advice from their boards. In some CSOs, the role of board members is not clearly distinguished from the executive's role within the organization, or staff members serve as board members.

Few CSOs develop human resources management plans. If they exist, these plans are generally limited to supervision and procedures for staff appraisal. The opportunities for employees to develop their skills through training, career development programs, or coaching are limited.

CSOs generally have basic equipment for their day-to-day activity. However, due to scarce financial resources, CSOs had limited opportunities to purchase new equipment in 2018.

FINANCIAL VIABILITY: 4.5



CSO financial viability deteriorated slightly in 2018. While sponsorships increased slightly, this could not compensate for the limited availability and accessibility of traditional funding sources, in particular for smaller CSOs and CSOs in rural areas. The diversification of CSOs' funding sources did not change significantly in 2018.

According to the 2018 World Giving Index, 20 percent of Romanians stated that they donated to charities during the reporting period in 2017, compared to 24 percent in 2016. The National Agency for Fiscal Administration reported that the amounts collected through the 2 percent mechanism in 2018 reached \$44.32 million (for fiscal year 2017), higher than in the previous year, but still well below the \$53.02 million peak registered for the 2015 fiscal year. As described above, legislative decisions

over the year related to the percentage of owed income tax that could be redirected and which CSOs can benefit from such donations are expected to influence the funding reaching the sector through this mechanism, especially in 2019.

As described above, changes also were made to the tax incentive facility that only allowed businesses with incomes under EUR 1 million to deduct sponsorships if made to an accredited social service provider with at least one licensed service; this was then changed again at the end of the year. Despite this, in 2018 companies—particularly local small businesses—already started to be more reluctant to engage in sponsorships, especially in small towns and rural areas, hitting small, local CSOs that already struggle to access resources particularly hard. A number of major corporations, however, such as Kaufland, OMV Petrom, Lidl Romania, Raiffeisen Bank, MOL Romania, IKEA Romania, and Vodafone, continued to support CSOs through national funding programs in 2018. According to a report issued in 2018 by CSR Media and Valoria Business Solutions, corporate budgets for corporate social responsibility (CSR) programs have either stagnated (30 percent of respondents) or increased slightly (up to 30 percent for 59 percent of respondents). Education, the social field, and the environment are the primary fields of interest for CSR programs. Most CSR programs operate at the national level, rather than the local or community levels.

The European Structural Funds (ESF) 2014-2020 accounted for the majority of funding from foreign governmental or other public international institutions in 2018. After repeated delays, CSOs were amongst the beneficiaries of calls for proposals during the year focused on education, entrepreneurship, and local development. The call addressing capacity building in advocacy and public policy formulation, which was open exclusively to CSOs, awarded a total of EUR 91.4 million to 99 projects to be implemented in 2018 and 2019. The complex and bureaucratic procedures associated with funding through the ESF, however, limit their accessibility to larger and more experienced CSOs.

Under the European Economic Area (EEA) Financial Mechanism 2014-2021, the institutional operators chosen to act in the areas of culture, inclusive education, and poverty reduction began to work in 2018, with the first calls expected to be issued in 2019. The Active Citizens Fund of the EEA Financial Mechanism, a EUR 46 million program for democracy and human rights, social justice, environment and climate change, gender equality, and gender-based violence, is also expected to launch in 2019.

CSOs struggle to find resources for civic engagement and CSO capacity building. The Civic Innovation Fund, a private funding mechanism supported by the Romanian-American Foundation and private businesses, continued to issue its annual calls for proposals, awarding approximately \$324,000 for projects encouraging civic innovation and involvement in community life in 2018. The Fund for Democracy, a funding mechanism initiated in 2017 by several civic groups, financed projects valued at a total of \$57,000 in 2018.

Various ministries and central government agencies continued to provide grants from the national budget, primarily benefitting certain types of organizations, including national minority organizations and sports federations, or specific fields of activity, including culture, combating intolerance (which received nearly double the funding in

2018 as in 2017), youth (which received less financing than in 2017), and sport. Surprisingly, CSOs were excluded from the list of possible beneficiaries of the National Program for International Development Cooperation and Humanitarian Assistance (ROAid) in 2018, for which they had previously been eligible. The central government's subsidies for social service providers did not change in 2018. No significant changes were registered in CSO funding from local government budgets, which continues to be limited. Local administrations seem to increasingly understand the procedures and requirements of social service contracting, but practices vary among communities and overall funding levels continue to be very low.

In 2018, CSOs increasingly sought funds from individual donors and constituencies through various fundraising methods, including SMS campaigns, crowdfunding, and local and national fundraising events, such as donor circles, marathons, swim-a-thons, and galas. There were several notable crowdfunding successes during the year. For example, www.donatie.ro (a platform that facilitates SMS campaigns and direct debit) reported a 75 percent increase in SMS donations to seventy-five campaigns organized by forty-six organizations during the year. In addition, direct debits increased by almost 50 percent, with twenty-two CSOs receiving approximately \$2 million. The size of average monthly donations also grew.

No significant changes were noted in terms of the revenues CSOs earned from economic activities in 2018. A few private entities, including NESsT Romania, Romanian-American Foundation, and the Network of Social Insertion Enterprises RISE Romania, try to develop supportive policies in the field, either by encouraging partnerships with the banking or investment sectors or through the effective use of EU funding. ESF launched a EUR 70 million grant scheme in 2018 focused on the establishment of social enterprises to support the integration of vulnerable groups in the labor market and to combat poverty. However, social enterprises continue to face harsh competition on the service market. Moreover, in 2018, some CSOs were affected by the cancellation in 2017 of the fiscal facilities for sheltered units, enterprises employing a staff of at least 30 percent disabled individuals. This decreased the income of sheltered units, many of which are established by CSOs, but increased their expenses in terms of the costs of the necessary assistance for the disabled persons left unemployed.

CSOs submit annual financial statements to national authorities, which are published on the Ministry of Finance's website. Most CSOs publish annual reports with minimum financial information online or make them available only upon request. CSOs only undergo independent financial audits when requested by donors. The financial management systems of larger CSOs and those accessing ESF funds are strained by bureaucratic program requirements and constant fiscal and accounting changes.

ADVOCACY: 3.8

The environment for civil society advocacy worsened throughout 2018, as cooperation with the government deteriorated. Although there were a few successful advocacy examples during the year, public authorities discouraged citizen and CSO involvement in policy-making processes. In particular, civic protesters were mistreated and the government pursued a very conservative policy agenda on basic human rights issues.

Peaceful civic protests continued in 2018, most of which were focused on the fight against corruption, the independence of the judiciary, and further changes to the criminal code. While not attracting as many participants as in previous years, the protests were more tense and met with more repressive action. On June 20, close to 20,000 people marched in the streets of Bucharest and major cities; the riot police removed at least eight people, including a foreign journalist, from the protest site. Around 100,000 people gathered in a similar protest in Bucharest on August 10, which met with a disproportionate response by the riot police to what seemed to be small violent groups amongst the protesters. Video footage quickly spread across social networks, showing the indiscriminate use of tear gas and water cannons and the police violence towards completely peaceful protesters. Over 400 civilians received medical care on site



and more than fifty had to be taken to hospitals, some with serious injuries. While the European Parliament condemned this police intervention as disproportionate in its November resolution on rule of law in Romania, the prime minister concluded that the police violence was justified by the fact that the protest was in fact a coup d'état. Later, the Ministry of Interior officially proposed a promotion for the riot police coordinator of the August 10 operation.

LGBTI rights organizations led one of the most visible advocacy campaigns in 2018, focused on preventing a constitutional change that would restrict the rights of same-sex couples. In 2016, thirty organizations supported by the Orthodox Church submitted to parliament the signatures of close to three million citizens demanding a referendum to narrow the definition of family to the union of a man and a woman (rather than that of two consorts, as the constitution currently specifies). The initiative, which was strongly opposed by progressive civil society, waited for final parliamentary approval for over two years. During the fall of 2018, the main governing party decided that a referendum would take place in October. While most parliamentary parties officially or unofficially supported the proposed change, progressive civil society successfully convinced citizens to reject the proposed change by not turning out for this vote. Even after the government made a last-minute decision to organize the referendum over two days to increase turnout, only 21 percent of eligible voters participated, falling far short of the minimum 30 percent turnout needed for the referendum to be valid.

Formal, legal channels of communication exist between CSOs and state authorities. However, state authorities selectively respect the provisions requiring consultations when making public decisions. Even when they do, the process is often tarred by a lack of trust on both sides. Several children's rights and protection organizations worked with UNICEF and the Ministry of Education to draft a national Parental Education Strategy in 2018. The ministry initially accepted the strategy and submitted it for public consultation. However, it quickly withdrew the strategy from its official website, long before the consultation period was over, after the strategy was criticized for being too progressive, for example, by stating that family is not considered to be an objective reality, but rather a socio-cultural product that is constantly being reshaped.

Informal civic groups continued to advocate for change in their communities. One of the most notable successes was when the Together for Highway A8 action group convinced parliament to adopt a law demanding the government to initiate the first highway reaching Moldova.

The Association for Supporting Patients with Multidrug-Resistant Tuberculosis and the Romanian Angel Appeal Foundation developed a bill providing social protections to patients diagnosed with tuberculosis. Following an advocacy campaign that lasted three years, parliament finally adopted the bill in 2018. Similarly, after two years of research and advocacy, a coalition led by PACT Foundation and MKBT: Make Better convinced a number of MPs to initiate a legislative project aimed at alleviating the situation of the more than 64,000 families who live in informal settlements in structures built without any legal approval.

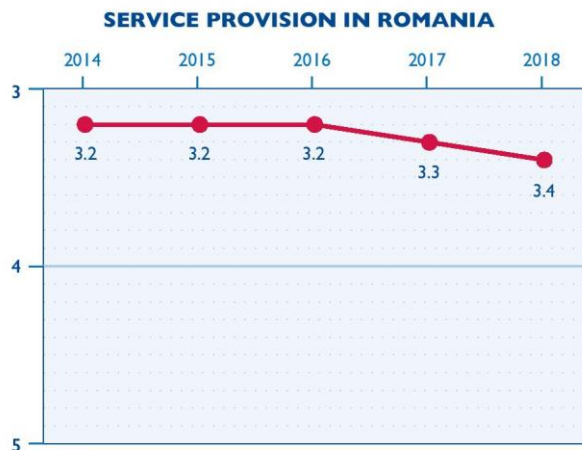
Politicians started using tactics and arguments identical to those used by their civil society critics during the year. For example, while civil society is constantly protesting in front of the governmental building, governmental parties organized protests of their own to demonstrate that their supporters also have reasons to be upset. Similarly, while CSOs consider the government to be threatening the independence of the judiciary and the rule of law through various legislative changes, the government's political response is that it is the most important guardian of the rule of law and that the proposed legislative changes are designed to correct alleged abuses perpetrated by judges and prosecutors. Such tactics pushed CSOs to quickly create new, clearer narratives to convince their constituencies that their positions are better than the government's; CSOs' responses were only effective to a limited degree.

CSOs continued to defend their enabling environment in 2018, but with limited success. The longest and most visible campaign focused on opposing the reporting requirements proposed under the law aimed at implementing the EU directive on preventing the use of the financial system for money laundering or financing of terrorism. The campaign resulted in stalling the regulation's adoption, rather than actually correcting the legislation, and the law remained under discussion in parliament at the end of the year, despite having been declared unconstitutional by the Constitutional Court. As described above, CSOs also successfully advocated against proposed changes in the types of CSOs that could benefit from tax designations, as well as the reduction of the number of companies eligible for sponsorship deductions.

In July 2018, the government approved an emergency ordinance prohibiting environmentally protected areas from being managed by private custodians, thus affecting more than sixty organizations administering 127 protected

areas. Despite criticism by environmental protection organizations, the ordinance remained in place at the end of the year.

SERVICE PROVISION: 3.4



CSOs continue to provide a variety of goods and services, although the overall quantity of services provided by CSOs deteriorated moderately in 2018. Due to lack of staff and unstable funding, some social services reached smaller numbers of beneficiaries compared to previous years. CSOs continue to face challenges reaching rural or marginalized areas and some vulnerable groups. In addition, the governmental decision to prohibit the management of protected natural areas by private custodians (most of which were CSOs) affected environmental CSOs and diminished the number of services provided in this area.

Besides basic social services, CSOs provide services to protect the fundamental human rights of various vulnerable groups and to facilitate their social integration.

In 2018, CSOs developed services in new areas such as alternative media. For instance, Recorder Community Association created an online platform to promote and develop journalism in Romania and provided more content in 2018.

CSO services generally meet constituents' needs and respond to community priorities even though CSOs lack the capacity to develop research studies in order to assess trends and behavior. CSOs have yet to engage in constant evaluation impact or analysis.

CSOs from different fields of activity offer their expertise to stakeholders beyond their constituents, including governmental and local institutions, private companies, hospitals, and international institutions. CSOs are also involved in elaborating public policies and defining CSR programs. For instance, the Bucharest Community Foundation supported IKEA in developing a CSR program. Thus, in 2018, the IKEA Fund for Gender Equality was launched to provide financial support for three years to projects in Bucharest and Ilfov that stimulate the economic independence of women in vulnerable situations and promote gender partnership.

CSOs still have limited capacity to generate revenue through service provision. Although most services provided by CSOs are free of charge, some CSOs do charge fees for products and services such as home-care services, addiction treatment, informal or alternative education for children, and social enterprises. For instance, the Association for Training charges fees for its House of Experiments, a nonprofit science center for children. Nevertheless, the fees that CSOs charge for their services do not fully cover the costs of their interventions, necessitating them to seek supplementary sources of funding.

Government actions do not recognize the value that CSOs bring to service provision or their contributions to improving the quality of life for different vulnerable groups.

SECTORAL INFRASTRUCTURE: 3.1

The infrastructure supporting the CSO sector did not change significantly in 2018.

Dozens of CSOs continue to act as resource centers and provide support to CSOs. Most of these are located in larger cities, and very few have outreach programs to make their services available in small communities.

Local grant-making capacity continues to develop, but is still limited. The Romanian-American Foundation strategically supports the development of philanthropic infrastructure, primarily the network of local community

foundations. Currently, there are sixteen community foundations active across Romania, with prospects for the model to extend to other communities.

CSOs continue to form partnerships with the business sector. Several major corporate contributors have attempted to make their interventions more strategic by partnering with CSOs to increase their outreach. For example, Kaufland partners with the Civil Society Development Foundation, and LIDL Romania and Raiffeisen Bank both work with the Association for Community Relations to manage their grant programs.

CSOs' partnerships with independent media are strengthening. Some media outlets are starting to function as CSOs in order to increase their access to impartial and more flexible sources of funding. In addition, independent media outlets cooperate easily with CSOs due to the overlap in their topics of interest, such as anti-corruption and the needs of the most vulnerable social groups.

Training opportunities remain limited, and funding for organizational development is very scarce. For the same reason, formal coalitions were less active in 2018, although CSOs engage in spontaneous, informal coalition building to react quickly to public policy issues. For instance, a group of over 100 CSOs worked together to tackle the negative provisions in the anti-money laundering law, constantly communicating online, while over a dozen took part in face-to-face meetings on the subject.

SECTORAL INFRASTRUCTURE IN ROMANIA



PUBLIC IMAGE: 3.9

PUBLIC IMAGE IN ROMANIA



CSOs' public image deteriorated in 2018, largely as a result of the government's increasing rhetoric accusing CSOs of being foreign agents. In particular, the government referred to the civic protests and other efforts by civil society to protect and defend democracy as being led by George Soros and other foreign interests. The leader of the Social Democratic Party, for example, referred to civic protesters as rats and called the August 10 protest a foreign-funded coup d'état. This type of rhetoric also found fertile ground online. The PressOne independent media outlet reported that during the fall dozens of Social Democratic Party Facebook accounts published similar unverifiable and sometimes false information in a systematic manner.

CSOs still benefit from fairly wide media coverage, including on mainstream TV outlets. Although CSOs, especially health and social service organizations, do receive positive coverage, the foreign agent and anti-Soros rhetoric from the upper levels of the government still prevails in terms of media impact. Notably, according to a survey conducted by the Romanian Institute for Evaluation and Strategy (IRES) in December, over a third of Romanians (35.5 percent) now believe that Soros harmed Romania, despite the lack of any verifiable facts supporting this accusation. According to a special Eurobarometer survey conducted in September, over 60 percent of Romanians believe that civil society plays an important role in defending and promoting democracy. This belief, however, does not always translate into public trust in civil society.

The business sector has a largely positive perception of CSOs based on their shared concerns. As in 2017, business associations clearly stated their support for issues address by civil society, including rule of law, the independence of the judiciary, and access to education for all.

CSOs promote their work primarily through social media and, to a lesser extent, their websites. In addition, CSOs continue to communicate their achievements through regular public events, awards, and galas, but this happened to a slightly lesser extent in 2018, due to the sector's more limited funding.

Many, but not all, CSOs draft annual activity reports to satisfy donor requirements; there are no legal requirements to do so. Various attempts have been made to draft a code of ethics or conduct for the CSO sector over the years, but these efforts have not benefitted from significant support or acceptance among CSOs.

Disclaimer: *The opinions expressed herein are those of the panelists and other project researchers and do not necessarily reflect the views of USAID or FHI 360.*