

***Reference Budgets Network
Developing a common methodology for
cross-nationally comparable reference
budgets in Europe - Concluding seminar***

The Food Basket in 2015 Romania

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Outline

1. Food baskets in Romania – an overview of a short-lived policy tool
2. Household expenditures and consumption patterns based on national survey data
3. The Romanian healthy food basket developed within the present project
4. The cost of the Romanian food basket, March 2015
5. Discussion and conclusions



1. Food baskets in Romania: an overview of a short-lived policy tool

- 1991: The appointment of the National Indexing Commission;
- 2000: The Approval of the Monthly Minimum Consumption Basket (RO-MMCB 2001), with yearly updates in 2002 and 2003;
- 2004: The abrogation of the Monthly Minimum Consumption Basket as a governmental policy tool;
- The Institute for Quality of Life Research (ICCV) Bucharest: since 1991, constructing the *minimum decent consumption basket* and the *subsistence basket*, separately for rural and urban areas, based on a normative approach; last update in 2012;
- 2012: The National Council of the Elderly published the Monthly Minimum Consumption Basket for the Elderly;
- 2014: The Institute for the Protection of Mother and Child "Alfred Rusescu", in collaboration with the World Health Organization and the Global Centre for Nutrition and Health from Copenhagen elaborated the "Daily Basket of Healthy Food", with emphasis on minimum nutritional needs and an estimated cost of 19.41 lei/day for a family of four persons, two adults and two children (this is one-third of our estimation for the same family).



2. Household expenditures and consumption patterns based on national survey data

National average per month in 2013	The occupational status of household head	Ron	Euro	% of total household expenditures
Total household expenditures	Employees	2076.3	506.4	
	Self-employed in services and industry	1618.7	394.8	
	Agricultural workers	1308.3	319.1	
	Unemployed	1403.2	342.3	
	Retired	1427.3	348.1	
Food and beverages	Employees	777.3	189.6	37%
	Self-employed in services and industry	736.1	179.5	45%
	Agricultural workers	706.5	172.3	54%
	Unemployed	649.1	158.3	46%
	Retired	615.4	150.1	43%

Source: Romanian National Institute for Statistics, Tempo on-line database, 2015. www.insse.ro



2. Household expenditures and consumption patterns based on national survey data

- **(Un)healthy diet:** Studies of the Ministry of Health (2010 and 2011) based on national survey data on the nutritional profile of the population report high fat and animal protein intake, and double salt-intake as compared to the WHO guidelines;
- **Cooking at home:** 60% every day and 33% several times a week (IRES, 2013);
- **Social functions of food:** family meals important and frequent, but eating out remains occasional or seldom (32% of the population never ate out – IRES, 2013), except for the younger urban middle-class;
- **Paid physical activities:** prohibitively expensive for low-wage earners, accounting for almost 14% of the cost of the food basket estimated in our study;



5

3. The Healthy Food Basket developed in this study

- Based on existing studies, nutritionist's advice, and focus groups held in Bucharest in January 2015;
- Consensus on the importance of eating healthy, cooking for children, and the social and cultural functions of food, in particular inviting people for home-made meals;

CONTENT for a couple with two children, as compared to RO-MMCB 2001 computed for 2.8 persons (average size of a Romanian household)

- 38.11kg of fresh fruit/month (only 3.64 kg/month in the RO-MMCB 2001);
- More diverse vegetables (e.g. tomatoes, cabbage, cucumbers, cabbage, mushrooms, salad) and a higher quantity of 42.12 kg/month (RO-MMCB 2001 introduced a limited range of fresh vegetables such as carrots, parsley, beans and parsnip, and a lower quantity of 3.78 kg/month);
- 18.19 kg of wholegrain bread/month (31.96 kg/month, no specified type in RO-MMCB 2001)
- 6.93 kg/month of fresh fish (only 0.84 kg/month RO-MMCB 2001).
- 1.82 kg/month of meat by products, including charcuterie (2.524 kg/month in RO-MMCB 2001).



6

The Cost of the Romanian Food Basket Euro/ month in March 2015	WOMAN	MAN	SINGLE WOMAN + 2 CHILDREN (boy 10y-old & girl 14y-old)	COUPLE + 2 CHILDREN (boy 10y-old & girl 14y-old)
Healthy food basket				
Liquids	4.07	5.05	4.77	9.82
Grain	12.27	17.01	43.10	60.11
Vegetables	13.40	17.85	44.65	62.50
Fruit	15.03	21.18	49.93	71.11
Diary	22.17	31.42	83.11	114.54
Meat, fish & eggs	23.49	36.58	72.18	108.76
Fat	8.91	9.04	26.54	35.58
Rest	2.18	2.18	23.64	25.83
Total healthy food	101.52	140.32	347.93	488.26
Kitchen equipment	7.03	7.03	8.92	9.62
Physical activity (if applicable)	18.16	18.16	33.86	52.01
Total healthy food basket	126.71	165.51	390.71	549.89
Other functions of food				
Invite people at home	5.19	5.19	5.19	5.21
Extra budget for take away per month	0.80	0.48	1.71	2.20
Extra budget for eating out per month	1.76	1.44	3.80	5.25
Extra budget holiday and day trips	0.62	0.69	3.16	3.87
Extra budget celebrations	1.67	2.31	7.63	12.04
Total budget other functions of food	10.05	10.12	21.49	28.56
Total food budget	136.75	175.62	412.20	578.46



5. Discussion and conclusions

- In March 2015, the net minimum wage for an employee with one dependent child was 740 lei/month, and the universal child allowance 42 lei/month. Consequently, a couple with two children, working for the minimum wage (25% of Romanian employees), gained a monthly income of 1,564 lei/month. **This is below the cost of the healthy food basket, set at 2,037 lei/month.**
- The average net wage was around 1.700 lei/month, i.e. a couple with two children had an income of 3.484 lei/month, including child allowance. Consequently, **the cost of the healthy food budget corresponds to 58% of total household income for a dual-earner family, gaining average wages and raising two children.**
- The concern for the **discrepancy between the cost of the healthy food basket and the earnings of the majority of Romanians** was also shared by **focus group participants**, who constantly stressed that although the discussed food basket is healthy and it would contribute to their well-being, **it is difficult for them to imagine that a Romanian reference family could afford paying for the selected goods and services.**



5. Discussion and conclusions

- Stakeholders highly interested in the development of RBs as policy tools;
- Existing Romanian FBs used a normative-minimum subsistence approach and underestimated the social and cultural functions of food, but also the importance of a varied, healthy diet, rich in fresh fruit and vegetables;
- Focus group discussion highlighted openness to changing “traditional” unhealthy diets to healthier options, but also the economic barriers faced by large categories of low wage earners in affording a healthy diet and regular sport activities.

THANK YOU!

