

Terms of Reference

Consultancy services

Developing a Methodology and Evaluation Tool to Assess the socio-economic costs of educational exclusion of Roma in Romania and Slovakia

I. Background and general context

With donors' support, REF has become the leading international organization working on Roma education. Poor education is both a cause and an effect of the vicious circle of the marginality of Roma and their low engagement in public life. For this reason, education has been the top priority for Roma policies, funding and projects from the EU, international donors and national governments that have intended to improve the condition of Roma communities. It was with this understanding that the Roma Education Fund (REF) was created in 2005.

To this day, formal education systems has failed to include Roma children or to provide inclusive and quality education. They also fail to adequately address the cultural dimension, history and social dynamics regarding Roma as a constituent ethnic group of many European states¹. A healthy sense of Roma identity—instead of feelings of inferiority and shame—based inter alia on a solid knowledge of Roma history, culture, language and contributions to mainstream society, is a precondition for engaging Roma in public life to develop their immediate communities as well as broader communities and society overall.

The latest report of the EU's Fundamental Rights Agency shows devastating results across 10 EU Member States², including the following:

- The proportion of Roma who felt discriminated against when in contact with school authorities increased over the past five years;
- School segregation increased for Roma children aged 6–15;
- The share of Roma youth aged 20–24 who completed at least upper secondary school remained largely at the same low level.

The root causes of these problems date back to the 19th century, when mass education was introduced to promote the idea of national belonging and to nurture the skills necessary for newly developed industries. During the last 30 years, our societies have been destabilized by

¹ See the report commissioned by the Council of Europe to the Georg Eckert Institute in partnership with the Roma Education Fund entitled “The Representation of Roma in European Curricula and Textbooks. Analytical Report” at <https://repository.gei.de/handle/11428/306>

² <https://fra.europa.eu/en/publication/2022/roma-survey-findings> (last accessed on 1.04.2023);

social, economic and political transitions and crises, resulting in growing exclusionary nationalism. As a result, we still face low quality of educational support, especially in majority-Roma communities, the lack of proper investment in school infrastructure, neglect by teachers and ignorance. Roma remained strangers or second-class citizens within their own states, and the material and conceptual precarity of educational institutions reflects this social and political reality.

Educational exclusion of Roma people has implicitly significant socio-economic costs. A 2010 World Bank study estimated major economic costs (losses) triggered by the exclusion of Roma people (costs associated with labour market productivity, fiscal losses as a result of small contribution to state budget from the poor Roma communities, and high costs with social assistance services). According to that estimate, these costs amounted to over 2.9 billion euros annually cumulatively in Bulgaria, the Czech Republic, Romania, and Serbia, if the official estimate of self-declared Roma people was considered; if one uses higher estimates of the proportion of Roma people in the entire population, these losses could reach up to 6.7 billion euros. In Romania alone, the estimated minimum annual costs resulting from the exclusion of Roma people were approximately 1,089 million euros³. The same World Bank study suggested that the main way to reduce these costs or losses generated by the exclusion of Roma people from the labour market is through investment in education. It illustrated that "*among Roma who completed secondary education, the average earnings are much higher than the average earnings among Roma who completed primary education: 83% higher in Bulgaria, 110% higher in the Czech Republic, 144% higher in Romania, and 52% higher in Serbia.*"⁴

Another study, this time conducted by UNICEF, shows that "*Roma people have 3.4 times more chances to be unemployed than non-Roma people, for the same level of educational attainment and other measurable characteristics*" but at the same time, it notes that "*the individual returns of education are higher for the Roma population than for the non-Roma one. For instance, completing a further level of education increases the probability of finding a job by 5.6% for non-Roma and by 16% for Roma.*"⁵ The same study shows that "*The effect of one additional year of schooling on earnings is 8.05% according to the Survey on Income and Living Conditions (SILC) (2012) and 9.07% according to the Household Budget Survey (HBS) (2012)*" with the highest increase generated by the increase in the proportion of those with higher and secondary education⁶. Therefore, the educational level of the population is reflected in the level of GDP growth and overall well-being. The same study estimated that over a period of 10 years (2015-2025) "*the cost of non-investment (i.e. in education, what we are losing by not allocating enough resources in education) ranges from 12 to 17 billion euros (...), equivalent to 7-9% of 2015 GDP.*"⁷ In addition, an increased level of education is associated with a reduced risk of illness or development of certain pathologies (and, implicitly, a longer life expectancy), crime reduction, and lower dependence on social protection schemes. The UNICEF study also shows that while increasing the proportion of higher education graduates has the greatest impact on GDP, investing in early levels of education (i.e. preschool/ primary/ secondary) contributes most to reducing inequalities and social exclusion. Efforts to increase

³https://childhub.org/sites/default/files/library/attachments/998_Economic_Costs_Roma_Exclusion_Note_Final_original.pdf (last accessed on 1.04.2023);

⁴ Idem, p. 4.

⁵ Pierre Varly et al. (2014). *Cost of non-investment in education in Romania*. UNICEF. p.17.

⁶ Idem, p.17

⁷ Idem, p.15, p.54/55.

the share of those with higher education cannot be dissociated from efforts to increase educational equity, increase the pool of those who complete compulsory education, and become potential candidates for continuing their studies at tertiary level. Another study from 2013 estimated the overall monetary value (in terms of GDP) resulting from reducing the rate of early school leaving; in the case of Romania, the overall cost associated with early school leaving was estimated at 0.9% of GDP.⁸

Other studies conclusions converge towards the same idea: the lack of education in the population has significant and evident costs⁹. Specifically, there have been studies that estimated nonexperimental expected long-term budgetary benefits related to Roma education (in the case of Hungary)¹⁰.

II. Purpose:

The overall purpose of the consultancy services is to evaluate the cost of educational exclusion of Roma people in Romania and Slovakia for the next 5-10-20 years.

Specifically, the contracted Consultant is expected:

1. To conduct a review of the relevant literature to provide an overview of the methodologies used for assessing exclusion costs, considering the pros and cons in the context of the Roma population. The main focus will be on literature that has analyzed and evaluated the costs of educational exclusion both generally and specifically concerning Roma individuals. Educational exclusion refers to the situation where a person fails to achieve a certain level of education despite having the potential to do so. The level of education defined as compulsory by law is considered attainable by any person, with some exceptions due to disabilities or serious illnesses.
2. To develop a methodology for the ongoing analysis and evaluation of the costs of educational exclusion of Roma people, using existing data from official statistics collected and centralized by designated public institutions for this purpose (EUROSTAT, National Statistical Institutes, etc.).
3. To evaluate and calculate, using the developed methodology, the cost of educational exclusion of Roma people in Romania and Slovakia (separately for each country) for the next 10-20 years.

One consultant or consultants will be selected for this task, but we will consider only one overall offer per candidate.

⁸ Brunello, Giorgio & Paola, Maria de. (2013). *The Costs of Early School Leaving in Europe*. IZA DP No. 7791.

⁹ UNICEF. (2017). *The Cost of Underinvestment in Education: And ways to reduce it*; EFILWC. (2012). *NEETs young people not in employment, education or training: Characteristics, costs and policy responses in Europe*. Dublin, Ireland: European Foundation for the Improvement of Living and Working Conditions.

¹⁰ Kertesi, Gábor & Gábor Kézdi. (2006). *Expected long-term budgetary benefits to Roma education in Hungary*. Corvinus University of Budapest.

III. Expected results

The selected consultant/s will be expected to provide a number of deliverables according to the scope of work as below specified.

Before commencing the assignment, the consultant/s will deliver an Action Plan outlining the detailed approach and methodology to this assignment and which will be discussed and agreed with REF representative(s).

Specifically, the consultant/s selected will generate the following deliverables:

1. *Literature review report.* The consultant(s) will conduct a review of the specialized literature that has analysed the cost(s) of educational exclusion from various perspectives: an overview of the methodologies used for assessing exclusion costs considering the pros and cons in the context of the Roma population, the productivity cost of each additional year of education, the fiscal cost, the income generated by each additional year of education, etc. Specifically, the bibliographic sources that have separately analysed the gains or losses (in terms of income, well-being, etc.) related to a certain level of education for Roma vs. non-Roma individuals will be examined. The main methodological approaches used until now will be highlighted in this stage.
2. *Methodology for assessing the costs of educational exclusion of Roma.* The consultant(s) will design and develop a methodology that will allow for the evaluation and identification of costs over a specific period of time (specifically, the next 5-10-20 years) arising from the fact that Roma do not attain the minimum compulsory education established by law, as well as higher education/ tertiary education. The methodology will be developed through consultation with representatives of REF. It will be considered that the methodology should provide an applicable and feasible analysis model using existing official statistical data (without collecting new social data) - even if this does not mean identifying the exhaustive costs derived from the educational exclusion of Roma. The limitations of the methodology and options for expanding the coverage of the consequences derived from the educational exclusion of Roma (including through the collection of new data) will be presented and discussed as part of the methodology.
3. *Implementation and application of the methodology in Romania and Slovakia, which will result in a report.* Official statistics available at EUROSTAT or the National Institute of Statistics, such as the AMIGO database, can be used in this process. For this purpose, a working application will be developed in a specific software (Excel and SPSS) that will allow the estimation of costs (or losses) resulting from the educational exclusion of Roma citizens (non-participation of a certain percentage of Roma citizens in compulsory education, considering the number of years of education, completed education cycles, etc.) by entering input data in specific fields. To facilitate the analysis in SPSS, a syntax file will be included along with a methodological annex.

The final form of methodology for evaluating the costs of educational exclusion of Roma people used has to obtain the REF representative's agreement.

To obtain the necessary data for the application of the methodology for evaluating the costs of

educational exclusion of Roma people, REF can accompany the consultant/s, upon request, to the relevant institutions (such as the National Institute of Statistics¹¹, the National Commission for Strategy and Prognosis¹² etc.). This will ensure that the data obtained are reliable and accurate for the purpose of the analysis.

The final report for evaluating the costs of educational exclusion of Roma people, prepared by the consultant/s, will need to obtain the agreement of the REF representative. This is to ensure that the methodology and analysis used are consistent with REF's approach and standards, and that the report's conclusions are sound and reliable. The REF representative(s) will review the report and provide feedback and recommendations to the consultant/s to ensure the report meets the required standards.

IV. Methodology and Approach

In order to achieve the expected results and deliver the predicted deliverables, the consultant/s may organize a set of interviews with key experts (5-8 interviews), with expertise and solid background in the matter (sociologists, statisticians, economists, education specialists etc.), from the countries where the methodology will be applied (i.e. Romania and Slovakia) or from other relevant countries with important shares of Roma people. Conducting these interviews is not mandatory and they would have the role of shedding some light on the key aspects necessary for the making and implementation of the methodology for evaluating the costs of educational exclusion of Roma - availability of necessary data, identification of key aspects to consider, estimation of income associated with a certain level of education, etc.

The methodology for evaluating the costs of educational exclusion of Roma will observe at least the following aspects:

- *The level of work productivity associated with a certain level of education (years of education or completed educational cycles: no schooling, primary, lower secondary, upper secondary, tertiary), translated into an average income for a certain educational level, in the specific case of the Roma population compared to the remaining population;*
- *The level of taxation associated with a certain level of education, fiscal taxes paid to the public budget as taxes derived from income received, associated with a specific educational level in the specific case of the Roma population compared to the rest of the population;*
- *The level of social costs (costs for supporting the unemployed, social assistance recipients - guaranteed minimum income, etc.) in the case of the risk associated with the manifestation of these social vulnerabilities (unemployment, social assistance) derived from specific educational levels in the specific case of the Roma population compared to the rest of the population.*

The consultant may suggest other dimensions to consider in evaluating the costs of Roma educational exclusion. The proposed methodology will consider the existence and availability of the necessary data for cost calculation, so that it can be applied. The expected cost evaluation model to be developed by the consultant/s is not only theoretical but practical, applicable, and

¹¹ <https://insse.ro/cms/en/content/population>

¹² <https://cnp.ro/?lang=en>

can be carried out using official data available (either in raw form or through additional processing of available raw official data).

For example, it is recognized that from a theoretical point of view, educational exclusion is associated with higher risks of illness or the development of pathologies, higher criminality, reduced civic activism, etc. However, if the monetary value of these aspects cannot be calculated due to lack of data, they will not be included in the proposed methodology (although their theoretical importance may be mentioned).

The methodology will need to be translated into an analysis tool that can be periodically updated by entering data – a model transposed into Excel or other calculation software.

The proposed methodology will be tested and applied based on the current situation, for a period of 5-10-20 years. Following the application of the proposed methodology, a final report will be elaborated, which will be approved following the feedback received from REF representative(s).

V. Schedule of the consultancy activities

The tentative time allocation for the evaluation is as follows:

Task	Period	Deliverables
Initiation of the contract	The start date (to be determined)	
1. Submission of an Action Plan/ Methodology for the assignment	3 working days	The inception report (=Action Plan + Methodology for the assignment)
2. Literature review	9 working days	Literature review report.
3. Development of a methodology for evaluating the costs of educational exclusion of the Roma.	15 working days	Draft methodology for evaluating the costs of educational exclusion of the Roma.
4. Draft methodology review from REF representative(s)	3 working days	Final methodology for evaluating the costs of educational exclusion of the Roma.
5. The implementation and application of the methodology in the case of Romania and Slovakia, which will be finalized with the production of a report.	15 working days	Draft report of implementation and application of the methodology in the case of Romania and Slovakia
6. Draft report review of methodology implementation from REF representative(s)	5 working days	Final report
TOTAL	50 working days	

The number of working days could be amended according to the activities complexity. The final report is going to be proceeded after the feedback received from REF team.

The consultancy services are expected to be provided **until September 29th, 2023, 17:00 CET**. The assignment is provisionally scheduled for 50 working days.

VI. Key competences and experience required

The consultant should possess the following qualifications:

- At least a master degree in Economics, Mathematical Modelling, Statistics, Sociology and/or other social sciences. Graduation of a PhD represents an asset. In case of not specific and/or relevant academic background, then in-depth experience in the field of policy research and analysis will be taken into consideration;
- Expertise and/or professional background in and working experience in economics, economics of education or economic empowerment;
- Knowledge of contemporary education trends, approaches, and methods.
- Excellent understanding and/or professional background in the issues related to social inclusion of Roma and other vulnerable groups;
- At least 8 years of experience in evaluation of development programmes, preferably in the area of social inclusion of Roma and other vulnerable groups;
- At least three reports of evaluation of economics of education or development programmes authored;
- Proven expertise in research /econometrics / mathematical modelling/ analysis of datasets;
- Excellent English language skills, and one additional Romanian or Slovakian language (knowledge of Romani language is an asset);
- Knowledge of another CEE/SEE language represents an asset;
- IT skills, social media management expertise.
- Project management skills and experience.
- Analytical skills.
- Strong ability to communicate with people from diverse backgrounds.
- Understanding of and passion for promoting the access of Roma children and youth to quality education.
- Familiarity with key institutions and actors of the Roma movement on the international level is a strong plus.

Individuals identifying themselves as Roma and are fulfilling the above-mentioned profile and requirements are encouraged to apply.

Budget

The budget proposal will be organized according to the following activities.

Activity	Projected cost
Literature review report.	
Final methodology for evaluating the costs of educational exclusion of the Roma.	
Final report on methodology implementation	
Additional costs (to be specified: translations cost etc.)	
Total costs (all taxes included)	

How to apply:

Qualified candidates are invited to send their cover letter and CV (both in English), the budget proposal and the contact details of three reference persons.

The deadline for application is **June 30th, 2023**, via email to crisrina.grigore@romaeducationfund.ro with the subject line “REF Consultancy services - Developing a Methodology and Evaluation Tool to Assess the Socio-Economic Costs of Educational Exclusion of Roma in Romania and Slovakia”.

Due to a high number of applications, unfortunately, REF is not in the position to be able to respond to every applicant individually. Please note that only short-listed candidates will be contacted for the first interview.

The current activity is part of the SHAPYR - Shaping Academic Employment Skills for Young Roma project implemented by Roma Education Fund Romania with the financial support of the VELUX Foundations.