Methodological explanations:

1. The **data source** is the Household Labour Force Survey that is conducted on a quarterly basis, in accordance with Regulation (EU) 2019/1700 of the European Parliament and of the Council of 10 October 2019 establishing a common framework for European statistics relating to persons and households, based on data at individual level collected from samples and Commission Implementing Regulation (EU) 2019/2240 of 16 December 2019 specifying the technical items of the data set, establishing the technical formats for transmission of information and specifying the detailed arrangements and content of the quality reports on the organisation of a sample survey in the labour force domain. Production of monthly data is regulated by Commission Implementing Regulation (EU) 2019/2241 of 16 December 2019 describing the variables and the length, quality requirements and level of detail of the time series for the transmission of monthly unemployment data pursuant to Regulation (EU) 2019/1700 of the European Parliament and of the Council.

2. **Concepts and definitions:**
   - The **unemployed, according to international definition (ILO[*]),** are persons aged 15 to 74 (in completed years at the end of the reference week) who were:
     - during the reference week not employed according to the definition of employment; and
     - currently available for work, i.e. were available for paid employment or self-employment before the end of the 2 weeks following the reference week; and
     - actively seeking work, i.e. had either carried out activities in the four-week period ending with the reference week to seek paid employment or self-employment or found a job to start within a period of at most 3 months from the end of the reference week.
   - The **unemployment rate** is the weight of the unemployed in the active population.
   - The economically **active population** comprises all persons who provide the supply of labour for the production of goods and services during the reference period, including the employed population and the unemployed.
   - **Employed population** comprise persons aged 15 to 89 (in completed years at the end of the reference week) who, during the reference week, were in one of the following categories:
     - persons who during the reference week worked for at least 1 hour for pay or profit, including contributing family workers;
     - persons with a job or business who were temporarily not at work during the reference week but had an attachment to their job, where the following groups have a job attachment:
       - persons not at work due to holidays, working time arrangements, sick leave, maternity or paternity leave;
       - persons in job-related training;
       - persons on parental leave, either receiving and/or being entitled to job-related income or benefits, or whose parental leave is expected to be 3 months or less;
       - seasonal workers during the off-season, where they continue to regularly perform tasks and duties for the job or business, excluding fulfilment of legal or administrative obligations;
       - persons temporarily not at work for other reasons where the expected duration of the absence is 3 months or less;
     - persons that produce agricultural goods <u>whose main part is intended for sale</u> or barter.

     Starting with 2021, persons that produce agricultural goods mainly or exclusively for self-consumption are no longer part of the employment.
   - The **registered unemployed** are persons recorded by the National Employment Agency, who benefit from the provisions of the legislation on the social protection of the unemployed.

     The two sets of statistical indicators (monthly unemployment, according to international definition and registered unemployment) *are not comparable* because the data sources, the measurement methods, the concepts, the definitions and the coverage are different. However, the analysis of the data of both series provides a complete and accurate picture of the Romanian labour force market.

3. The **estimation method** applied is based on econometric methods that exponentially smooth data series that shows a linear trend. The estimated values are derived from the data provided by the Household Labour Force Survey, using smoothing coefficients that adjust the level and trend of the series (in unadjusted form). For the provisional results, the values are derived taking into account partial data collected for the reference month.

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[*] International Labour Office

4. **How the data are presented**: The data included in this press release are seasonally adjusted data. The effect of seasonal variations is hence removed. For seasonal adjustment, the DEMETRA software package (the TRAMO/SEATS method) was used. The seasonally adjusted series were obtained by removing the seasonal component from the original series. Trend, which represent the series from which, both, the seasonal and irregular effects, were removed, was obtained by removing the irregular component from the seasonally adjusted series.

   Because of the reduced number of units observed, the estimators' degree of confidence for the indicators regarding young persons (15-24 years age group) is extremely low, the series obtained having a high degree of volatility. Hence, for "young persons" quarterly data is disseminated (e.g. data for January, February and March are all equal and refers to the first quarter). Data for young persons are released, as provisional, two months after the end of the reference quarter and as final once the LFS estimations for the corresponding quarter are finalized.

5. **A new framework regulation for European statistics relating to persons and households, based on data at individual level collected from samples (Regulation (EU) 2019/1700 of the European Parliament and of the Council of 10 October 2019) entered into force in 2021. Together with the delegated and implementing regulations issued in its application, it provides the new legal basis for the Labor Force Survey (AMIGO) as well as for the research "ILO Monthly Unemployment".**

   These legislative changes provide several important methodological changes aimed at improving the comparability of results between EU Member States (a new definition of employment, changing the data collection method, standardized questionnaire used for data collection, etc.). These changes have a noticeable impact on the survey estimates - in particular on the number of employed population (and implicitly on the number of active population - which is the denominator of the "unemployment rate" indicator) and make direct comparison with data published for previous periods unfeasible. Consequently, to facilitate the interpretation of the results, the data in this press release referring to the months up to December 2020 (inclusive) have been recalculated to reflect the definitions in force since 2021. Data for the entire series are comparable.

6. **Data revision policy:** The unemployment rate and the number of unemployed are disseminated on a monthly basis as **provisional data** and are subject to quarterly revisions as new information becomes available, namely:
   - the indicators whose reference period is January, February or March are published as provisional indicators at the end of February, March or April and are revised in May;
   - the indicators whose reference period is April, May or June are published as provisional indicators at the end of May, June or July and are revised in August;
   - the indicators whose reference period is July, August or September are published as provisional indicators at the end of August, September or October and are revised in November;
   - the indicators whose reference period is October, November or December are published as provisional indicators at the end of November, December or January (next year) and are revised in February – next year.

   Each year, once the data for the first month of the year are published, seasonally adjusted and trend series are entirely revised due to re-estimation of the parameters of the ARIMA model.

7. For more information on the number of unemployed and the unemployment rate, provided on a monthly basis and the non-seasonally adjusted and trend series, access the TEMPO database of the National Institute of Statistics (www.insse.ro).