

Monthly Report - NRRP and EC Priorities

Report prepared by A.M. Anghel, E. Aignătoaei, E. Stamate, A. Ceașescu



National Recovery and Resilience Plan

EC Priorities. Priority 1: Prosperity & competitiveness

Priority 2: Defence & Security

Priority 3: Social rights

Priority 4: Life quality

Priority 5: Democratic Europe

Priority 6: Foreign affairs

MONTHLY REPORT ANNEX

National Recovery and Resilience Plan

C1. Water management

Reforms

No relevant updates.

Investments

INVESTMENT 4, T15 - WATER INFRASTRUCTURE INVESTMENTS IN BIHOR. The Ministry of Environment announced the completion of modernisation works at the Sălard accumulation and the start of the controlled refilling process at Leșu Dam, after 12 years. The investments are financed under **Investment I4, Target 15**, which covers water infrastructure works linked to flood risk management and hydrotechnical safety. The Sălard project, valued at over RON 22 million, includes safety works, digitalisation, monitoring systems and a wetland area. At Leșu Dam, where the investment exceeds RON 206 million, works have reached around 65%, with gradual refilling now underway to test the dam's structural behaviour and upgraded equipment.

C2. Forests and biodiversity protection

Reforms

No relevant updates.

Investments

INVESTMENT 3, M34 - PRIORITY BIODIVERSITY ZONES. The draft bill approving the emergency ordinance amending GEO No. 57/2007, under **NRRP Component C2, Investment I3, Milestone 34**, was registered for final debate and sent to the responsible committees of the Chamber of Deputies, to issue a report. The draft bill was previously adopted by the Senate with no amendments. The act establishes the legal framework for Priority Biodiversity Zones (ZPB), including designation procedures and management regimes, creating the basis for future designation of strictly protected areas.

C3. Waste management

Reforms

No relevant updates.

Investments

INVESTMENT 1 - BUCHAREST WASTE MANAGEMENT STRATEGY AND NRRP PROJECTS. A draft CGMB decision published this week would approve Bucharest's Integrated Waste Management Strategy for 2023-2033, setting a unitary framework for separate collection, treatment and reduced landfilling across PMB, sectors 1-6, ADIGIDMB and sanitation operators. The strategy is linked to **NRRP Component 3, Investment 1**, including digitalised ecological islands, voluntary collection centres and integrated separate collection infrastructure. Relevant NRRP projects include 250 digitalised collection platforms in Sector 6 and the integrated voluntary collection centre for Bucharest North and the Bucharest-Ilfov area, with an estimated separate collection capacity of around 45,000 tonnes/year. If adopted, the strategy would support implementation of NRRP waste targets while increasing operational pressure on local authorities, sanitation operators, OIREPs and commercial waste generators to improve source separation, traceability and treatment before disposal.

INVESTMENT 1.d, T54 - AFM 2026 BUDGET. The Government approved the 2026 budget for the Environmental Fund and the Environmental Fund Administration (AFM), including separate allocations for waste management investments that remain financed through the NRRP and for projects previously transferred out of the NRRP and continued through the Environmental Fund. The measure relates mainly to **Component C3, Investment I1.d, Target 54** on recycling infrastructure and waste management. The decision allocates

RON 335 million for recycling installations still financed under the NRRP, while additional allocations are included for projects suspended or transferred from NRRP financing, including voluntary contribution collection centres, digitalised ecological islands and integrated separate collection centres. The budget also includes funding for manure and compostable agricultural waste infrastructure previously transferred from the NRRP framework. The decision was also published in the Official Gazette.

INVESTMENT I3a, T57 - PROCEDURE FOR USE OF DIGITAL CONTROL EQUIPMENT. The Ministry of Environment has published in the Official Gazette the order establishing the procedure for the use of photo-audio-video equipment by the National Environmental Guard, contributing to the implementation of **NRRP Component C3, Investment I3.a, Target 57** on digital monitoring in control activities.

C4. Sustainable transport

Reforms

No relevant updates.

Investments

INVESTMENT 3, T84 - EXPROPRIATIONS APPROVED FOR BACĂU-PAȘCANI MOTORWAY. The Government adopted a decision which approves the launch of expropriation procedures for private properties required for utility relocation works on the Bacău-Pășcani motorway section, part of the A7 corridor financed under **NRRP Component C4, Investment I3, Target 84** on TEN-T road infrastructure. The affected properties are located in Bacău and Neamț counties, while compensation funds amounting to RON 903,000 will be covered through the state budget under the NRRP loan component managed by the Ministry of Transport.

C5. The Renovation Wave

Reforms

No relevant updates.

Investments

INVESTMENT 1, T103 - LOSS OF NRRP FUNDING FOR RESIDENTIAL RENOVATION IN BUZĂU. Buzău City Hall will reportedly lose around EUR 80 million in NRRP funding for the energy renovation and consolidation of 30 apartment blocks, after the works can no longer be completed by the 31 August 2026 deadline. The projects fall under **NRRP Component 5, Investment 1**, linked to the renovation of multi-family residential buildings and **Target 103**. According to the mayor, only 10 of the 40 initially included blocks are expected to be completed, with delays caused by procurement and permitting procedures, as well as the need for structural consolidation works for buildings classified under seismic risk class II.

INVESTMENT 4, I112 - DEADLINE EXTENDED FOR HISTORIC BUILDING TRAINING CALL. The Ministry of Culture has issued an order approving the amended Applicant Guide for the NRRP call under **Component C5, Investment I4, Target 112**, concerning training courses on energy efficiency in historic buildings. The new amendment extends the deadline for submitting applications until 29 June 2026, 16:00, or until the allocated budget is exhausted. The call had already been amended earlier in 2026, with the deadline first extended to 27 February and then to 20 May. The latest update keeps the call open for an additional period, maintaining access to funding for applicants preparing training projects in the field of energy efficiency for historic buildings. The previous version also introduced the rule that each beneficiary may submit only one application, except for applicants whose funding requests had already been rejected.

C6. Energy

Reforms

REFORM 1, M114 - POSSIBLE DELAY OF COAL UNIT CLOSURE. Romania could ask the European Commission to postpone the closure of one coal-fired unit within Complexul Energetic Oltenia, currently scheduled for 31 August 2026. The coal phase-out was assumed through

GEO No. 108/2022 under **Component C6, Reform R1, linked to Milestone 114** on the decarbonisation of the energy sector. According to press reports, the request would be based on electricity system adequacy risks, as several replacement capacities, including Mintia, Iernut and other gas projects, face delays. If confirmed, the issue would reopen discussions with the European Commission on the sequencing of Romania's coal exit and the availability of replacement capacity before the 2026 winter season.

REFORM 1, M114 - PROPOSED AMENDMENTS TO THE ENERGY DECARBONISATION LAW. The legislative proposal amending GEO No. 108/2022, adopted under **NRRP Component C6, Reform R1, Milestone 114**, was sent to the responsible committees of the Senate to issue a report by 09.06.2026. The initiative was previously tacitly adopted by the Chamber of Deputies after the debate deadline expired. The initiative, put forward mainly by PNL deputies, seeks to recalibrate decarbonisation targets based on energy and national security considerations. According to the preliminary position, the decommissioning of lignite and hard coal capacities would be conditioned on the commissioning of new electricity generation capacities, effectively linking coal phase-out to replacement capacity. The proposal maintains the general ban on coal-based generation, while preserving derogations for non-energy uses and exceptions justified by national security considerations.

REFORM 1, M114 - COAL MINE CLOSURE FUNDING PROPOSED FOR 2026. The Government a Government Decision allocating RON 349.98 million in 2026 to Complexul Energetic Valea Jiului for the safe closure, decommissioning and environmental rehabilitation of the Lonea, Lupeni, Livezeni and Vulcan coal mines. The measure is implemented under the state aid framework established by GEO No. 13/2025 and forms part of the broader coal phase-out process, including commitments under **NRRP Component C6, Reform R1, Milestone 114**. The funding covers underground safety works, environmental rehabilitation and land recultivation, as well as limited allocations for employee compensation and professional reconversion. The amount proposed represents a partial allocation compared to the total estimated needs for 2026, with additional funding expected to be approved at a later stage. The decision was also published in the Official Gazette.

REFORM 4, M126 - HYDROGEN IMPLEMENTING RULES. The Ministry of Energy has published a draft Government Decision approving the implementing rules for Law No. 237/2023 on the integration of renewable and low-carbon hydrogen in industry and transport. The measure is linked to **Component C6, Reform 4, Milestone 126** of the NRRP and aims to turn the Hydrogen Law's general obligations into applicable procedures for reporting, verification and sanctions. Fuel suppliers will report annually on renewable fuels of non-biological origin, while industrial hydrogen consumers will report every two years on hydrogen consumption, origin, costs, investment plans and risks. Compliance may be proven through ANRE certificates, guarantees of origin or alternative supporting documents, with sanctions applying for failure to report, incomplete data or failure to meet the minimum quotas.

Investments

No relevant updates.

C7. Digital transformation

Reforms

REFORM 1, M145 – ADR CANCELS THE TENDER FOR THE NATIONAL INTEROPERABILITY PLATFORM. The Romanian Digital Authority (ADR) announced **the cancellation of the public procurement procedures for the implementation of the "National Interoperability Platform" (PNI) project**, one of the most important digitalization projects of the public administration in Romania. The decision was made by the new president of the ADR, Aurel-Cătălin Giulescu. We remind you that the PNI was established by Law No. 242/2022, a major milestone within **the NRRP (Milestone 145, Reform 1, Component 7)**, and numerous milestones and targets depend on the implementation of the Platform.

According to the institution, the cancellation of the procedure was determined by **the identification of irregularities in the procurement initiation stage, which could have generated a legal blockage and the impossibility of signing the public procurement contract.** ADR claims that **the tender procedure was launched prematurely, before all the necessary legal conditions were met.** The National Interoperability Platform is considered one of the most important digitalization projects of the Romanian state, with a major impact on data exchange between public institutions and on digital services for citizens. According to ADR, the project is surpassed in scope only by the Government Cloud. The authority specified that **the procurement procedure will be resumed after completing all legal and administrative steps provided for by the legislation in force.**

Investments

INVESTMENT 2, T157 – DEROGATION FOR STS PURCHASES IN THE GOVERNMENT CLOUD. The ordinance that introduces a derogation for **allowing the Special Telecommunications Service (STS) to conclude framework agreements and subsequent contracts before concluding government agreements for the licensing of the necessary software products** was adopted by the Government and published in the Official Gazette. The measure targets operating system and database licenses necessary for the operation of IT systems

belonging to cloud service users in the internal cloud and **supports the implementation of Target 157 of the NRRP (Component C7, Investment 2)**, regarding the migration of government applications to IaaS/PaaS solutions. The draft bill for its approval received an admission report within the Senate.

INVESTMENT 4 – DIGITALIZATION OF NGOs. MIPE published an Order that extends, until **31.08.2026**, the period until which aid can be paid under **the "Digitalization of the Non-Governmental Organizations Sector" Scheme (NRRP, Component 7, Investment 4)**. We recall that this scheme provides support to NGOs that want to digitize their activities by investing in digital infrastructure, to increase the digital skills of staff and volunteers in terms of providing remote services to beneficiaries, developing CRM (customer relationship management) platforms and solutions.

INVESTMENT 8, T173 & T174 – MAI BUYS SECURITY SOLUTIONS FOR IT SYSTEMS REGARDING CEI. The Ministry of Internal Affairs (MAI) will purchase security solutions from Dendrio Innovations to **equip the data center that will manage the IT system dedicated to the new electronic identity cards (CEI)**. The acquisition is part of a project to support the transition to the CEI, financed from **the NRRP - Component 7 (Investment 8, Targets 173 and 174)**. The contract will run for a period of 150 days, is estimated at RON 10.16 million, excluding VAT, and was won following an auction.

INVESTMENT 15, T184 – DNSC CALL FOR STRENGTHENING CYBERSECURITY. The National Cyber Security Directorate (DNSC) announced the launch of the open call for participation of public and private entities within the project **"Creating new cybersecurity skills for society and economy"**, related to **the NRRP, Component C7, Investment I15, Target 184**. **The objective of the call** is to support eligible participants (e.g., from public administration, economic operators, digital service providers and NGOs) in the process of assessing, consolidating and increasing the level of maturity in the field of cybersecurity. To this end, an **integrated toolkit** is made available, consisting of **the SecureRO digital platform**, useful for self-assessment, identifying vulnerabilities and aligning with the requirements of the NIS2 Directive, as well as a component of methodologies and guides that provide good practices and information on current threats. The call runs from **May 13, 2026 to June 15, 2026**. Participation is based on the methodology published by DNSC, and applications must be submitted exclusively online through the platform dedicated to NRRP projects.

C8. Tax reform and pension reform

Reforms

REFORM1 – T196 - NAFA DIGITALIZATION AND SIMPLIFICATION OF TAX DECLARATIONS. The Chamber of Deputies adopted this week the law draft bill approving the emergency ordinance which aims to eliminate the obligation of individuals taxpayers to submit the Single Declaration for estimated incomes, social contributions and their modification/recalculation situations, in accordance with **Target 196, Reform 1 of Component 8 of the NRRP**. The normative act also revises the method of determining the social and health insurance contribution, depending on the income achieved and the applicable ceiling, and a payment option is established for natural persons who start the independent activity during the fiscal year. Next, law is expected to be soon signed by the President and published in the Official Gazette.

REFORM1 – M191 - ENROLLMENT OF LEGAL ENTITY TAXPAYERS IN SPV. NAFA has published for consultation a draft order that introduces participation via MoF-NAFA videoconference for taxpayers registered in the SPV, in procedures such as tax audit, hearing, audience or mediation, as an alternative to physical presence at the NAFA headquarters, thus simplifying the procedure in accordance with **Milestone 191, Reform 1 of Component 8 of the NRRP**. Companies must manage their option in the SPV, transmit the data and powers of the participants signed electronically and comply with the technical rules of the meeting. Next, the order is expected to be published in the Official Gazette and to enter into force on June 8, 2026.

REFORM 6, M214 – ADDITIONAL CONTRIBUTION PERIODS. The Committee for Labour issued a rejection report for the legislative proposal aiming to amend and supplement Law No. 360/2023 on the public pension system, through which **Milestone 214 - Reform 6, Component 8 of the PNRR** was fulfilled, in order to **clarify the contributory nature and the mechanism for capitalizing in the calculation of the pension and of the contribution periods** related to activities carried out under special and exceptional working conditions. Thus, it is ensured that additional contribution periods recognized by law can produce real legal effects in determining pension rights, by capitalizing on them in the annual score and in granting stability points, explicit mentions introduced. Next, the proposal is expected to be also rejected by the plenary.

REFORM 6, M214 – PROFESSIONAL DRIVERS GET SPECIAL WORKING CONDITIONS. The Senate registered a new legislative proposal amending Law no. 360/2023, which fulfilled Milestone 214 - Reform 6, Component 8 of the PNRR, and introduces the classification of professional drivers in road transport of goods and passengers under special working conditions, until 1 January 2035. The measure applies to effective, permanent or predominant activities of driving vehicles under Regulation (EC) no. 561/2006 or AETR. Transport operators will have to clearly highlight the periods worked, keep supporting documents and pay the contributions related to the special conditions. The main impact concerns higher wage and compliance costs, as well as effects on drivers' pension rights.

REFORM 6, M214 – SALARY-PENSION ACCUMULATION. The Chamber of Deputies registered for the final debate the legislative proposal which brings some changes to the Law No. 360/2023 on the public pension system, which fulfilled **Milestone 214, from Reform 6 of Component 8 of the PNRR**, and establishes that the right to an old-age pension should not be conditional on the termination,

suspension or non-existence of a public/private employment relationship. In other words, it explicitly allows the cumulation of salary with the old-age pension, if the pensioner's option is to continue his professional activity - the right to work and the right to an old-age pension are considered compatible. Next, the legislative proposal is expected to receive a report from the Committee for Labor by June 6.

REFORM 6, M214 – NIGHT WORK. The Chamber of Deputies registered for the final debate the legislative proposal which brings some changes to the Law No. 360/2023 on the public pension system, which fulfilled **Milestone 214, from Reform 6 of Component 8 of the PNRR**, and proposes that the standard retirement age be reduced by one day for every 24 cumulative hours of night work actually performed, given that shifts are, as a general rule, 8 hours long. Therefore, for every 24 hours worked during the night, even if these are performed in separate shifts and on different days, the worker will benefit from the corresponding reduction of the retirement age by one day. It is also established that the minimum retirement age is 60 years, below which the reduction cannot operate. Next, the legislative proposal is expected to receive a report from the Committee for Labor by June 6.

REFORM 6, M214 – RECOGNITION OF SALARY RECORDS. The Chamber of Deputies registered for the final debate the legislative proposal which aims to amend Law no. 360/2023 on the public pension system which fulfilled **Milestone 214 – Reform 6 of Component 8 of the PNRR** and to resolve situations in which essential documents, such as payrolls, no longer exist or are no longer found in the archives, by recognizing the remuneration/salary records, drawn up nominally for each employee, as valid supporting documents. These acquire the same probative value, to the extent that they contain all the elements necessary to establish the monthly income achieved. Next, the legislative proposal is expected to receive a report from the Committee for Labor by June 6.

Context – There are currently 24 legislative initiatives in Parliament to amend Law 360/2023, of which 2 are under debate in the Senate, and 12 under debate in the Chamber of Deputies, of which 17 were rejected by the Senate.

Investments

INVESTMENT 9 – M239, INVESTMENT 10 – M240 - DIGITALIZATION OF PENSION SERVICES. The Chamber of Deputies adopted the draft bill approving GEO 5/2025 regarding the extension until December 31, 2025, of the employment term for contractual positions held by individuals performing specific activities within territorial pension offices, aiming to enhance operational efficiency and provide advanced electronic services for the national pension system through digitalization, amending the provisions of GEO 37/2024 regarding **Investment 10, Milestone 240 – The IT System within the National Public Pension House, and Investment 9, Milestone 239 – Supporting the process of evaluating pension files currently in payment.** Next, the law is expected to be soon signed by the President and published in the Official Gazette.

C9. Support for the private sector, research, development, and innovation

Reforms

REFORM 2, M271 & M272 / REFORM 4, M276 & T277 – DIGITALISATION OF RESEARCH AND INNOVATION SYSTEM. A cross-party legislative proposal initiated by PSD, PNL, USR and minority MPs introduces a unified digital framework for Romania's research, development and innovation (RDI) system, contributing to the implementation of **several NRRP Component C9 milestones and targets** linked to RDI governance reform and private sector participation. The proposal contributes to Milestone 271 and Milestone 272 under Reform 2, related to the implementation of PSF Country recommendations and the establishment of a permanent RDI monitoring system, as well as **Milestone 276 and Target 277 under Reform 4**, focused on creating a favourable framework for public and private investment in innovation and ensuring company participation in at least 27% of publicly funded RDI projects. The initiative introduces a single electronic platform for all publicly funded RDI calls and competitions, mandatory interoperable digital systems for project evaluation and monitoring, and a national digital observatory for RDI performance analysis. It also establishes a dedicated innovation unit aimed at attracting private investment and developing public-private partnerships, while expanding fiscal and financial instruments supporting innovation activities.

Investments

INVESTMENT 3 – DIGITALIZATION OF SMEs. MIPE published an order that extends, until **31.08.2026**, the period until which aid can be paid under **the Scheme "Digitization of SMEs - grant of up to EUR 100,000 per enterprise to support SMEs in adopting digital technologies"** (NRRP, Component 9, Investment 3). We remind you that this scheme provides assistance to SMEs making investments in Romania, by providing non-refundable financial support for their digitalization.

INVESTMENT 3, T265 – FIRST STOCK EXCHANGE LISTING NRRP. The Ministry of Investments and European Projects (MIPE) announced **the completion of the listing process on the Bucharest Stock Exchange (BVB) of the company IT GENETICS SA**. This represents a remarkable premiere, being the first listing of a private company in Romania financed through **the NRRP (Component 9, Investment 3, Target 265)**. The total value of the listing project was approximately RON 591,000, of which the non-reimbursable financing from the NRRP covered approximately RON 348,000. Following BVB's entry into the AeRO market, investors subscribed over 748,000 shares, totalling a total value of RON 2 million. Through this type of measures, the authorities aim to achieve financial maturity,

diversify funding sources and increase the competitiveness of the domestic private sector.

C10. The local fund

Reforms

No relevant updates.

Investments

No relevant updates.

C11. Tourism and culture

Reforms

REFORM 1 – NRRP FUNDING FOR 41 TOURISM PROJECTS. The Ministry of Economy, Digitalization, Entrepreneurship and Tourism (MEDAT) has completed **the evaluation of projects under the Destination-Level Tourism Infrastructure Investment Program, financed by the NRRP (Component 11, Reform 1).** Of the 113 projects submitted at national level in a competitive call with a budget of 10 million euros, 41 projects were admitted for funding, the total approved value being approximately RON 40.9 million. A number of 72 projects were rejected, the main reason being the lack of the mandatory digitalization component (which had to represent at least 20% of the requested budget). The program is addressed to local public authorities that are members of **Destination Management Organizations (DMOs)** and aims at small-scale investments to increase the accessibility and sustainability of destinations, in line with Romania's National Strategy for Tourism Development 2023–2035.

Investments

No relevant updates.

C12. Health

Reforms

The interim Minister of Health, Cseke Attila, presented the implementation status of the National Recovery and Resilience Plan (NRRP) health investments, **noting a 66% absorption rate with RON 4.75 billion spent out of a RON 7.23 billion budget.** To safeguard funds and prevent European Commission penalties, the Ministry signed 68 additional acts worth RON 2 billion, shifting project deadlines to June-August 2026. Structurally, the Minister plans to introduce a weekly public payment transparency system and a pilot performance-based salary mechanism allowing doctors to earn bonuses between 30% and 100% of their base salary.

Major hospital modernization projects are largely on schedule, with physical progress reaching 96% for the new neurosurgery clinic in Cluj, 98.5% for the polytrauma pavilion in Craiova, 92% for the Bistrița-Năsăud clinical hospital, 83% for the Sibiu polytrauma pavilion, and 75% for the "Agrippa Ionescu" hospital, alongside on-time developments at the "Marius Nasta" and "Târgu Mureș" institutes. Conversely, the new hospital project in Constanța cannot meet the NRRP timeline, forcing the Ministry to pivot to alternative European funding sources. Similarly, a project to acquire 12 neonatal intensive care ambulances will be stripped from the NRRP to be financed externally, while the digitalization of 60 public health institutions faces no implementation risks.

Strategic revisions before final EU renegotiations include dropping the NRRP grant target for hospital **digitalization from 200 to a minimum of 100 hospitals, moving 50 others to loans, and transferring various blocked projects to the loan component.** Meanwhile, the target for funded integrated community centers will expand from 54 to 79, and certain equipment components currently tied up in public procurement appeals will be eliminated entirely. The 68 newly signed extensions allocate funds across critical categories, including 4 acts for upgrading specialized outpatient clinics with high-performance imaging like CT and MRI scanners, 6 acts dedicated to reducing nosocomial infections through laboratory updates, and 2 acts for expanding neonatal intensive care units. Digitalization efforts dominate the remaining extensions, featuring 34 acts to modernize hardware and software across public healthcare units, 21 acts to streamline

public health departments (DSP) and ambulance services, and an additional act to resize, standardize, and optimize the National Health Insurance House's information platform (PIAS).

Investments

INVESTMENT 2, T377 – NEW MEDICAL UNITS FINANCED FROM NRRP. The Ministry of Health published two draft decisions approving technical and economic indicators for the construction **of new medical centers financed from NRRP - Component 12 (Investment 2, Target 377)**. The first one is dedicated to the diagnosis and treatment of tuberculosis, at the "Marius Nasta" Institute of Pneumophthisiology, and values **RON 640,219 thousand**, creating a new medical capacity of 115 beds and an operating block with 3 operating rooms. Moreover, the construction and equipment works will have an estimated duration of 40 months, while the investment includes an integrated digital system for telemedicine, medical record monitoring, data storage, vital signs visualization and prescription monitoring. The second one approves the construction of the **Cardiovascular surgical center of the Emergency Institute for Cardiovascular Diseases and Transplantation Târgu Mureș**. This investment has a total value of **RON 782,464 thousand**, including VAT, the center will have 219 beds, of which 214 for continuous hospitalization and 5 for day hospitalization, with a 4-room operating room. The duration of the project is 27 months, relevant for planning the works, procurement, deliveries and installation of equipment.

C13. Social reforms

Reforms

REFORM 1, M378 - PREVENTING THE SEPARATION OF CHILDREN FROM THEIR FAMILIES. The Chamber of Deputies adopted the draft bill which approves the emergency ordinance stipulating that the funding provided for in the state budget for 2025 for social services provided for in Law no. 156/2023 for the prevention of child separation from family, which fulfilled **milestone 378 of Reform 1, Component 13 of the NRRP**, is made only for social services that hold an operating license, a provisional operating license or a restructuring plan for the residential centre with a capacity of more than 50 places, approved by the competent authority. It also provides for the establishment, by Decision of the Prime Minister, of an Interministerial Committee for strengthening the administrative capacity of institutions with responsibilities in the field of social assistance, as well as the possibility, as of 2025, of filling vacant positions for the

provision of social services through a competition or examination. Next, the law is expected to be soon signed by the President and published in the Official Gazette.

Investments

No relevant updates.

C14. Good governance

Reforms

REFORM 6, M430 - WHISTLEBLOWER BILL TO BE REJECTED. The Senate's Legal Committee has issued a rejection report for a **legislative proposal** that sought to explicitly **include magistrates among the categories protected under the country's whistleblower legislation**. The proposal aimed to clarify the legal status of magistrates as public interest whistleblowers and provide them with formal protection mechanisms when reporting violations of the law within the judiciary system. The initiative would have modified aspects linked to **NRRP Milestone 430 (Component 14, Reform 6)**, already fulfilled through Law No. 361/2022.

Context – Currently, there is one more legislative proposal in Parliament that seeks to amend Law no. 361/2022 and, thus, already fulfilled Milestone 430. In the decisional chamber, it has very low chances of passing.

REFORM 9, T443 - STATE ENERGY MERGER. Romania's Ministry of Energy has launched a public consultation on a **draft government decision approving the merger by absorption of Societatea de Administrare a Participațiilor în Energie S.A. (SAPE) and Societatea Electrocentrale Grup S.A.**, with SAPE set to take over all assets, rights, and obligations of the absorbed company. The measure is part of the broader restructuring of state-owned enterprises. It is linked to Romania's NRRP – **Target 443 (Reform 9)**, which aims to achieve the restructuring, listing, or lease-based operation of at least three state-owned companies in the energy and transport sectors by Q2 2026.

The government argues that the merger will streamline administration, eliminate overlapping support functions, consolidate renewable energy assets and strengthen the management of state energy holdings under a single structure. Officials also say the move will reduce

the number of state-owned companies and improve governance transparency, while helping absorb the historical losses of Electrocentrale Grup, which recorded losses in 10 of its 13 years of activity.

REFORM 9, T443 – OFFICIAL UPDATE ON THE REFORM OF STATE-OWNED COMPANIES. During the 21 May 2026 government meeting, interim Deputy Prime Minister for Reform Oana Gheorghiu presented **an update on Romania’s progress toward meeting NRRP Target 443 – Reform 9**. The government warned that the deadline is strict and missing it could jeopardise EU funding and fiscal stability. Key projects include the merger of Telecomunicații CFR and Tipografia Filaret into CNCF CFR, as well as the absorption of Electrocentrale Grup by SAPE in the energy sector, although delays, legal risks linked to state-backed loans, and administrative bottlenecks remain concerns. Authorities have ordered weekly monitoring and accelerated procedures to ensure the reforms are completed on time and recognized as irreversible by the European Commission.

REFORM 9, T443 - STATE LISTINGS CLASH WITH NRRP GOALS. However, the Parliament has adopted the PSD-AUR-SOS-backed **legislative initiative** that **bans, until 31.12.2027, the sale of state-held shares in national companies, banks, and other state-owned enterprises**. This effectively blocks **Target 443 of the NRRP (Reform 9, Component 14)**, which requires the listing of at least three public enterprises to improve governance and efficiency. Now the law will be sent to the President for promulgation.

Romania’s **USR strongly criticized this law**, calling it anti-constitutional, anti-investment and harmful to Romania’s economic interests. USR MPs argued **the measure protects political patronage networks and undermines transparency, capital market development and Romania’s NRRP commitments**, while comparing the rhetoric behind the law to the nationalist “we won’t sell our country” campaigns of the 1990s.

Context – Two other legislative initiatives related to Target 443, both signed by AUR, are currently in the debate of the Senate (first chamber). Since PSD’s law was already adopted, the chances for these 2 bills to pass are quite low.

REFORM 4, M420 – PUBLIC SECTOR WAGE REFORM. Romania’s main pro-European parties (PSD, PNL, USR and UDMR) signed a political agreement under the coordination of the Presidential Administration to adopt **a new public sector wage law** by the end of the current parliamentary session, as part of Romania’s PNRR commitments. Interim Labour Minister Dragoș Pîslaru presented the draft reform, which would fully enter into force on 1 January 2027 and introduce **a unified salary grid, stricter limits on bonuses, performance-based pay criteria, and reduced wage disparities across the public sector**. Minister Pîslaru said no public employee will lose income, while additional wage costs in 2027 will be capped at RON 8 billion, with the reform aiming to create a “fair, coherent and predictable” salary system.

The draft bill has already triggered strong opposition from trade unions, especially the **healthcare federation SANITAS, which**

announced protests and accused the draft of being unfair and harmful to healthcare and social care workers. Pîslaru argued the reform is designed primarily to restore equity and fiscal sustainability rather than deliver broad salary increases, noting that around 56% of public sector positions would still see wage increases under the new system. The reform also seeks to cut more than half of the current bonus schemes, standardize pay across institutions, and address long-standing inequalities created by special laws, court rulings, and uneven political negotiations.

Investments

No relevant updates.

C15. Education

Reforms

REFORM 1, M452 – NEW LAW ON FREE SCHOOL MATERIALS. The **law** requiring the Ministry of Education to **provide free textbooks and teaching materials, both printed and digital, to all preparatory grade students** was published in the Official Gazette. Within 90 days of the law’s entry into force, the Ministry of Education will establish the list of materials to be provided for free. This law complements the pre-university Education Law no. 198/2023, which previously fulfilled **Milestone 452 (Reform 1, Component 15) of the NRRP.**

REFORM 1, M452 - EDUCATION LAW CHANGES. Instead, the Chamber of Deputies, acting as the first notified chamber, has adopted the **bill** approving GEO 28/2026, introducing a broad set of amendments to the country’s Education Laws 198/2023 and 199/2023. The changes **reopen competitive recruitment procedures for teaching and university positions**, regulate **bilingual classes**, expand **state funding for certain private and religious schools**, and introduce **new rules for military and police education staff**. The bill also establishes the legal framework for **recognizing doctoral supervisor qualifications obtained outside the EU**. The legislation further creates the **“Romanian Corps for Education Abroad,”** a consultative body under the Education Ministry aimed at supporting Romanian educational activities overseas. The measures amend the legislative package through which Romania previously implemented **NRRP Milestone 452 (Reform 1)**. Now the bill has reached the Senate for a final debate.

REFORM 1, M452 - MEDIA LITERACY. Subsequently, the deputies have tacitly passed a **legislative initiative** amending the Pre-university Education Law 198/2023 to **introduce Media and Digital Education as a compulsory subject in lower secondary and high school curricula** starting from the 2027–2028 school year. The initiative comes within the framework of Law 198/2023, through which Romania previously implemented NRRP **Milestone 452 (Reform 1)**. The bill has already reached the Senate for the final debate.

REFORM 1, M452 – NEW EDUCATION BILLS. Eight new legislative proposals amending Romania’s Pre-University Education Law No. 198/2023 were submitted this month to the Chamber of Deputies. We remind you that **Milestone 452 of the NRRP (Reform 1)** was previously implemented through the Education Laws (No. 198/2023 and 199/2023).

- (1) The **1st proposal** would introduce a multiannual framework and continuity mechanisms for the **national “Healthy Meal” program**, applying to schools, local authorities, and contracted economic operators.
- (2) The **2nd proposal** would allow **technological high school students to obtain a Level 2 vocational qualification certification at the end of the 10th grade**, as an intermediate stage before the existing Level 3 and Level 4 qualifications.
- (3) The **3rd proposal** introduces **mandatory school and psychological counselling, stricter audio-video monitoring rules, and a ban on mobile phone use during classes**.
- (4) The **4th proposal** eliminates the limitation on the **employment of retired teachers** exclusively on an hourly basis.
- (5) The **5th proposal** introduces the obligation of state higher education institutions to allocate a minimum of 5 budgeted places at the bachelor's degree and a minimum of 5 budgeted places at the master's degree for **graduates with special educational needs (CES)**.
- (6) The **6th proposal** introduces **harassment, including sexual harassment, as a distinct offense in universities** and obliges higher education institutions to apply internal procedures for prevention, notification, analysis and resolution, with a direct effect on the rules of academic compliance.
- (7) The **7th proposal** introduces a **compulsory subject titled “Education for Emotional Development and Violence Prevention”** in primary and lower secondary schools.
- (8) The **8th proposal expands police powers to investigate and sanction the sale and purchase of academic papers**, including bachelor’s, master’s and doctoral theses.

Context - There are currently 70 initiatives in Parliament that amend **Milestone 452**, out of which only 5 have medium to high chances of passing the vote.

Investments

INVESTMENT 10, T486 – SCHOOL BUS TENDER PROBE. The Competition Council has carried out unannounced inspections at the premises of three economic operators as part of an **investigation into suspected bid rigging linked to public tenders for electric school minibuses financed through the NRRP**. The probe also involves a Spanish company and focuses on **possible anti-competitive agreements, including market sharing and price fixing, which may have led to inflated contract prices**. The procurements fall under NRRP Component C15, **Investment 10**, aimed at developing green schools and deploying 3,200 electric minibuses for student transport under **Target 486**. The Competition Council noted that the inspections, authorized by the Bucharest Court of Appeal, do not constitute proof of wrongdoing, though companies found in breach of competition law could face fines of up to 10% of annual turnover.

INVESTMENT 1, T457 – NEW NURSERIES. Romania’s Minister of Development, Cseke Attila, inaugurated several new nurseries under the national “Saint Ana” programme financed through the NRRP, including facilities in Calafat (the first in Dolj County), Baia and Suceava in Suceava County, Comănești in Bacău County, and Nădlac in Arad County. The programme aims to build, equip, and operationalize 110 nurseries nationwide under **Investment 1, Target 457 of NRRP Component 15**, with **70 facilities now completed and more under construction**. The new nurseries provide modern, energy-efficient infrastructure with dedicated childcare, medical, administrative, and play spaces, creating thousands of new childcare places across Romania. Minister Cseke Attila emphasized that the programme remains a government priority, with plans to deliver a total of 100 nurseries by the end of August.

INVESTMENT 11, T457 – STAFF RECRUITMENT FOR NURSERIES. The Romanian Government has adopted a memorandum on **the competitive recruitment of vacant positions in newly built nurseries under the "Saint Ana" government program**. The program is financed through the PNRR - Component 15, which provides for the construction, operationalization and equipment of 110 nurseries to achieve **Target 457 (Investment 1)**. The measure aims to fill positions in nurseries that are to be received and put into operation, once the construction works are completed and handed over to the competent authorities. The initiative is part of the efforts to operationalize the new nurseries built at national level, as part of investments to expand early education services.

INVESTMENT 11, T492-493 – ORADEA SCHOOL UPGRADE. The Municipality of Oradea is implementing a **large-scale education infrastructure modernization project worth 75.2 million lei** (around €14.7 million, VAT included). Funded through Romania’s NRRP, Component C15, it contributes to the achievement of **Targets 492 and 493 (Investment 11)**. The investment targets 43 educational

institutions and aims to equip them with modern furniture, digital tools, and updated teaching materials. According to the local administration, several procurement contracts have already been signed, with implementation underway as part of broader efforts to significantly improve learning conditions in the city's education system.

C16. RepowerEU

Reforms

REFORM 1, M509 - LEGAL FRAMEWORK FOR RENEWABLE ACCELERATION ZONES. A legislative proposal amending Law No. 268/2001 has been submitted in Parliament to implement **Component C16, Reform 1, Milestone 509** of the NRRP, concerning the use of state-owned land administered by ADS as acceleration areas for renewable energy projects. The proposal covers class IV and V agricultural land, degraded or unproductive land and other eligible ADS land, while excluding Natura 2000 sites, protected areas and main migration routes. The draft provides for concession through public auction, accelerated permitting under GEO No. 163/2022, a maximum 6-month deadline for permits and a digital one-stop-shop through PCUEL. It also introduces a national register for ADS-administered state land, financial guarantees for concessions and simplified environmental assessment rules. The initiative takes over the content of an earlier draft emergency ordinance prepared for NRRP Milestone 509, which was not adopted after the Government was dismissed through a motion of no confidence.

Investments

No relevant updates.

General News

NRRP LOANS FOR LOCAL AUTHORITIES. The ordinance which establishes a **RON 10 billion** financing mechanism providing local

authorities with **interest-free, short-term loans** to bridge liquidity gaps in NRRP project implementation was adopted by the Government and published in the Official Gazette. Aimed at ensuring all milestones are met by the **August 2026 deadline**, the measure allows municipalities to bypass standard debt limits provided their projects are at least **60% complete**. These loans must be fully repaid by **November 15, 2026**; failure to do so triggers late interest and the potential suspension of state budget transfers. The draft bill for its approval was adopted by the Senate and will reach the Chamber of Deputies for a final debate.

MEASURES TO ACCELERATE NRRP IMPLEMENTATION. The Government adopted and published an Emergency Ordinance that includes measures designed to accelerate the implementation of projects financed through the NRRP, such as replacement of civil servants from the public administration in this regard and the possibility of forming inter-ministerial committees to coordinate the projects. The draft bill for its approval was adopted by the Senate and will reach the Chamber of Deputies for a final debate.

Furthermore, Prime Minister Ilie Bolojan participated, together with Cătălin Predoiu, Minister of Internal Affairs, and with the Minister of Finance, Alexandru Nazare, in a **videoconference with prefectures, organized on the topic of the analysis of the approximately 5,300 contracts financed through the NRRP, ongoing at the level of local authorities**. The state of the reforms necessary to meet the targets and milestones assumed in the field of internal affairs was also analyzed. During the videoconference, the Prime Minister asked the prefects to mobilize as soon as possible, to organize urgent meetings with local authorities to centralize data on the real status of the projects and to get involved in their implementation under good conditions, especially in **the areas of development, environment and education, financed from the grant component, so that they are completed by the end of August**. At the same time, the possibility of transferring to the loan component of projects that cannot be completed on time was analyzed. Following the discussions, it was established that **the city halls should transmit complete and verifiable information on the degree of execution of the projects, the date of commencement of works, the estimated completion dates, the amounts settled, the schedules assumed by the builders and images from the field**. Technical discussions will continue on Wednesday and Thursday, and the data reported according to the situation on the ground can be verified later by the European Commission.

NRRP FUNDING IN ANAR 2026 BUDGET. The Decision for the approval of the 2026 revenue and expenditure budget of the National Administration “Apele Române” (ANAR), including allocations from both the grant and loan components of the NRRP was published in the Official Gazette, having entered into force on May 4. The total allocation reaches around RON 293 million. **Component C1** remains the core funding source, covering flood risk reduction, hydrotechnical infrastructure and monitoring capacity. Allocations target **Investment I4.2** (including Leșu and Sălard accumulations), **Investment I5** for equipment and emergency preparedness, and **Investment I6** on the water cadastre. Additional, smaller allocations are included under **Component C5 for building renovation and Component C11 for cycling infrastructure**.

MAP OF ENVIRONMENTAL INVESTMENTS NRRP. The Ministry of Environment launched **an Interactive Map of Environmental**

Investments financed through the NRRP, a public GIS platform that allows the monitoring of 2,232 investments, with a cumulative value of over RON 10.5 billion. The platform includes 1,781 projects in the active NRRP portfolio, of which 1,770 are local and 11 are national strategic, as well as 451 projects transferred last year to AFM funding for continued implementation. The map allows filtering projects by counties, financing components and value, as well as consulting individual files with information about the beneficiary, the population served, the implementation calendar and the contracted value. The investments cover areas such as water and sewage infrastructure, biodiversity, waste management, environmental digitalization, SUMAL and the endowment of the National Environmental Guard.

MONITORING NRRP PROGRESS VIA REGIONAL DEVELOPMENT AGENCIES. MIPE published an Instruction that establishes the procedural framework for the eight **Regional Development Agencies (ADR)** to conduct technical monitoring and on-site visits for investments funded by the **NRRP**. These activities are designed to confirm the reality of physical progress declared by beneficiaries, identify implementation risks or non-conformities, and provide a uniform reporting structure to support MIPE's decisions regarding project status.

The monitoring process involves both **planned and ad-hoc visits**, with selection criteria prioritizing major investments exceeding **EUR 250 million** or those essential for upcoming payment requests. Before conducting an inspection, ADR teams must analyze documentation provided by MIPE and notify beneficiaries at least five working days in advance. During visits, the agencies verify the physical existence of works and equipment, documenting their findings through photos and a **Verification Report** that must be drafted within five working days. If the ADR identifies potential **irregularities or fraud**, these must be recorded for further investigation by the National Coordinator's control structure. Finally, beneficiaries are obligated to provide ADR staff with full access to project locations and documentation to ensure complete **traceability and auditability**.

METHODOLOGY FOR INDIVIDUAL NRRP FINANCIAL CORRECTIONS. The Ministry of Investments and European Projects published in the Official Gazette an order approving the methodology for applying individual financial reductions and corrections under the NRRP, implementing provisions introduced through GO No. 3/2026. The act targets private beneficiaries that do not fall under public procurement rules, but use NRRP funds for works, services or supply contracts. The methodology sets the procedure for identifying irregularities, applying corrections, recovering amounts and checking compliance with double financing and DNSH requirements.

EC Priorities. Priority 1: Prosperity & competitiveness

A Clean Industrial Deal

REDISTRIBUTION OF EU ETS REVENUES. The law approving GEO No. 55/2025 on the management of revenues from the auctioning of EU ETS allowances has advanced in the re-examination procedure. After being adopted by the Senate, the file was registered with the Chamber of Deputies and sent to the responsible committees, which are expected to issue their report by 17 June 2026. The ordinance aligns the national framework with the EU rules applicable from 2025, including the unified auctioning framework for stationary installations and aviation. The President's re-examination request concerns the observance of bicameralism, after amendments were introduced by the Chamber of Deputies in the initial legislative procedure without being reviewed by the Senate.

TEMPORARY VAT CUT FOR FUELS. The legislative proposal submitted by AUR parliamentarians that would amend the Fiscal Code to introduce a temporary reduced VAT regime for motor fuels was rejected by the Senate and has now been registered at the Chamber of Deputies for final debate. The initiative would apply a 5% VAT rate in the first three months and 9% thereafter, linked to Brent price developments, for gasoline, diesel and LPG used as automotive fuel. The proposal was sent to the responsible committees in the Chamber of Deputies, with the report deadline set for 17.06.2026. Given the political origin of the initiative and the need for both parliamentary support and an EU VAT derogation, its chances of final adoption remain low.

ACCELERATED FRAMEWORK FOR STRATEGIC CRITICAL RAW MATERIALS PROJECTS. The legislative proposal complementing GEO No. 61/2025, which implemented Regulation (EU) 2024/1252 on critical raw materials at institutional level was registered and sent to the responsible committees of the Chamber of Deputies to issue a report by 03.06.2026. The initiative was previously rejected by the Senate and sought to introduce procedural and property-related measures for strategic mining projects recognised by the European Commission, including simplified authorisation procedures, binding deadlines, land access mechanisms and a special litigation regime.

ENERGY CYBERSECURITY RESPONSE CENTRE (CRISCE). The legislative proposal establishing the Energy Cybersecurity Incident Response Centre (CRISCE) as a specialised structure within the Ministry of Energy was tacitly adopted by the Senate and has now been registered at the Chamber of Deputies for final debate. The proposal designates CRISCE as the competent authority for applying Commission Delegated Regulation (EU) 2024/1366 on the cybersecurity of cross-border electricity flows, sets continuous monitoring and incident response tasks and establishes cooperation mechanisms with the National Directorate for Cyber Security and EU counterparts. Compared to a previously published draft emergency ordinance, the parliamentary initiative limits primary legislation to the general framework, leaving organisational details, staffing and procedures to be set by ministerial orders. The proposal was sent to the responsible

committees of the Chamber of Deputies, with the report deadline set for 17.06.2026.

NEW EIB FINANCING FOR A1 MOTORWAY COFINANCING. The draft bill approving the EUR 500 million financing contract signed in January 2026 between Romania and the European Investment Bank for the continued cofinancing of the Sibiu-Pitești section of the A1 Motorway, part of the TEN-T network, was tacitly adopted by the Chamber of Deputies and has now been registered at the Senate for final debate. This is the second EIB loan approved for the same project, following the financing ratified through Law No. 19/2026, bringing total EIB support for the objective to EUR 1 billion. Under the contract, the loan may cover up to 50% of eligible project costs, excluding VAT and expropriation expenses, and may be disbursed in up to 10 tranches over 36 months. The draft bill was sent to the responsible Senate committees, with the report deadline set for 16.06.2026.

CONVERSION OF PETROLEUM EXPLOITATION AGREEMENTS INTO GAS STORAGE AGREEMENTS. The legislative proposal which seeks to amend the Petroleum Law No. 238/2004 by introducing a mechanism allowing the conversion of existing petroleum exploitation agreements into agreements for underground natural gas storage, received an admission report from the responsible committees of the Senate. The proposal would allow the competent authority to approve the conversion at the request of the agreement holder, eliminating the need for abandonment procedures and a new public tender for a storage license. Next, the proposal will be debated and voted in the Senate plenary.

REVISED STATE AID RULES FOR ENERGY-INTENSIVE INDUSTRIES. The law approving the ordinance on the state aid scheme for sectors exposed to carbon leakage due to indirect CO2 costs was published in the Official Gazette. Eligible companies in industries such as metallurgy, paper, and industrial gases will receive annual subsidies, in one or two instalments, with a EUR 150 million/year cap based on EU ETS revenues.

TAX INCENTIVES FOR NATURAL GAS-BASED CHEMICAL INDUSTRY. The legislative proposal which aims to stimulate higher-value processing of natural gas in Romania through fiscal incentives for investments in the gas-based chemical and petrochemical industry was adopted by the Senate and registered with the Chamber of Deputies, which is the decision-making chamber. The proposal was also sent to the responsible committees for a report by 03.06.2026. Initiated by MPs from PNL, USR and PSD, the proposal amends the Fiscal Code to encourage the use of domestic gas production, including future output from projects such as Neptun Deep, for domestic industrial processing.

INSTITUTIONAL FRAMEWORK FOR ALTERNATIVE FUELS INFRASTRUCTURE IMPLEMENTATION. The draft bill on approving the emergency ordinance establishing the national institutional framework for implementing Regulation (EU) 2023/1804 on alternative fuels infrastructure (AFIR) was adopted by the Chamber of Deputies. The ordinance replaces the previous regime based on Directive 2014/94/EU and ensures compliance with EU obligations across all transport modes. The ordinance designates the Ministry of Energy as coordinating

authority, in cooperation with the Ministry of Transport and other relevant institutions, sets national targets for electric recharging, hydrogen, LNG and shore-side electricity infrastructure, particularly along TEN-T and in urban nodes, and introduces monitoring and reporting obligations to the European Commission. Next, the law will be signed by the President of Romania.

REPAIRABILITY INDEX FOR ELECTRICAL AND ELECTRONIC EQUIPMENT. A new legislative proposal registered in the Senate would introduce a mandatory repairability index from 1 to 10 for electrical and electronic equipment, including products such as household appliances, TVs, refrigerators and air conditioning units. The index would be calculated by producers or importers for each product model and displayed on the product, packaging and at the point of sale, including online, next to the price. Producers would also have to provide the index and calculation parameters to distributors and sellers.

FUEL PRICE STABILISATION MEASURES. The draft bill approving GEO no. 24/2026 which introduces measures to stabilise diesel prices was registered for final debate and sent to the responsible committee of the Chamber of Deputies, to issue a report. The act provides for a temporary reduction of the excise duty on diesel by RON 0.3/litre for the duration of the crisis situation declared under GEO No. 19/2026. It also introduces a solidarity contribution on revenues from crude oil extracted in Romania, applicable only when the monthly average Brent price exceeds USD 70/barrel, with differentiated calculation mechanisms for crude sales and refined products.

EU TRANSPOSITION ON EMERGENCY PROCEDURES FOR INDUSTRIAL PRODUCTS. The Government will adopt a decision completing the national rules on machinery and ATEX equipment by introducing exceptional procedures for internal market emergency situations. The act partially transposes Directive (EU) 2024/2749, with a transposition deadline of 29 May 2026. The procedures would apply only to products designated at EU level as crisis-relevant goods, during an activated internal market emergency regime. In such cases, notified bodies and market surveillance authorities would prioritise conformity assessment and controls, while certain products could be placed on the market under EU-extended national authorisations, without CE marking, but with clear crisis-relevant labelling, including in Romanian. The decision is expected to enter into force on 30 May 2026.

Business & Economy

DIASPORA START-UPS GET INVESTMENT GRANTS. The Ministry of Finance has published for public consultation a draft decision establishing the "**Diaspora Invests at Home**" Program, introducing **grants for start-ups majority-owned by Romanians in the diaspora, up to 60% of the investment loan**, but a maximum of 200,000 euros. The support is granted after the completion of the investment and reduces the balance of the contracted loan. Beneficiaries must be **newly established microenterprises or SMEs**, with a loan between 5,000 and 500,000 euros, own contribution of at least 10% or 5% for entrepreneurs under 35 years of age. BID implements the program

and manages payments, and failure to comply with the conditions will result in the recovery of the grant by ANAF, with interest. Next, after the public consultation period, the draft decision is expected to be adopted by the Government.

ANPC GAINS NEW DIGITAL AND CONSUMER CONTROL POWERS. The Ministry of Economy has published for public consultation a draft decision which establishes that **ANPC receives new powers to enforce rules on illegal online content and alternative fuel infrastructure**, in the relationship between economic operators and consumers. In parallel, the institution is being reorganized by reducing the number of positions from 1,370 to 903 and by redistributing resources to the control activity. For companies, the impact concerns more extensive ANPC controls and supervision, including in the digital area and on services related to alternative fuels. The **reorganization must be completed within 60 days of entry into force**, but no later than July 1, 2026, and the detailed structure will be established by order of the ANPC President. Next, after the public consultation period, the draft decision is expected to be adopted by the Government.

EU FUNDS CLOSURE AND SOCIAL SUPPORT EXTENSION. The Chamber of Deputies adopted the law which approves GEO no. 76/2025 and updates the rules for the **closure of the 2014–2020 operational programs**, including the treatment of phased, unfinished or non-functional projects, in order **to limit the risk of losing European funds**. The act extends the **distribution and provision of electronic media for social support** until March 31, 2026. In 2026, the **Ministry of Finance may redistribute funds to the state budget, in particular for defense, public order and national security procurement**. The law was also signed by the President and published in the Official Gazette.

MANDATORY RON PAYMENTS FOR DOMESTIC SERVICE CONTRACTS. The plenary of the Chamber of Deputies notified the Committee for Industry and Services to issue an additional report for the draft bill which introduces the **obligation that all contracts for the supply of goods, services and utilities between residents of Romania be expressed and paid exclusively in RON**. The bill also allows for the indexation of periodic payments in foreign currency to cover currency and inflation risk, within limits related to the NBR exchange rate on the day of payment. Next, the draft bill is expected to receive soon the report from the committee.

Digital tech, research and innovation

INTERINSTITUTIONAL COMMITTEE ON CYBERSECURITY. The Chamber of deputies amended the ex-coalition (PSD-PNL-USR-UDMR) legislative initiative establishing an **inter-institutional committee coordinated by the DNSC** that will facilitate **cybersecurity cooperation, analysis, and information exchange**. Crucially, the updates from the Committees' report modify the Criminal Code to provide legal protection for cybersecurity researchers by stipulating that **actions regarding illegal access, illegal interception, and unauthorized transfer of computer data do not constitute a crime when performed in good faith to find and report vulnerabilities**. To qualify for this immunity, researchers must act without causing harm or prejudice, strictly follow system protection rules, and report their findings within

48 hours, thereby filling existing gaps in national and European legislation regarding legal clarity for ethical disclosures. The act is to be voted on in a future plenary session.

Health Union

HEATED TOBACCO RULES ADOPTED. After two years, the deputies have adopted the law approving Government Ordinance 23/2023, which transposes EU Delegated Directive 2022/2100 and introduces a regulatory framework for heated tobacco products. The law defines HTPs and bans those with characterising flavours, as well as any flavours in components such as filters, papers, packaging, capsules or technical features that alter taste, smell or combustion intensity. It also prohibits the presence of tobacco or nicotine in filters, papers or capsules. New packaging rules require each unit pack and outer packaging to display health warnings, including the message that tobacco smoke contains over 70 cancer-causing substances, alongside combined health warnings. In the upcoming days, the law will be published in the Official Gazette.

In the same vein, a SOS deputy registered a new legislative initiative that **introduces strict regulations for disposable electronic cigarettes in Romania, significantly impacting manufacturers, distributors, and retailers, including grocery stores, gas stations, and online platforms.** The act mandates plain, neutral packaging free of bright colors and child-appealing imagery, requires permanent health and age warnings on devices, and strictly prohibits visual displays in non-specialized stores as well as all commercial promotions, discounts, or loyalty programs. Furthermore, the bill enforces rigorous age-verification processes requiring ID checks for anyone appearing under 25, while remote sales and courier deliveries are conditional upon verifying that the buyer is over 18. Non-compliance faces penalties of up to RON 20,000 and business suspensions from 15 to 90 days, with enforcement phased in over 30, 90, or 180 days following the joint approval of technical norms by the Ministry of Health and the National Authority for Consumer Protection (ANPC).

CONTRACT SIGNED FOR CLUJ REGIONAL EMERGENCY HOSPITAL. The contract for the construction of the Cluj Regional Emergency Hospital was signed after the completion of procurement and litigation procedures. The project was initially included in the NRRP health investment pipeline, but was later removed from NRRP financing and continued through a mixed financing structure. The hospital will have 849 beds, with a construction contract valued at RON 1.79 billion excluding VAT and a total investment exceeding RON 3.3 billion. The execution period is 40 months, with the future hospital planned as a major medical infrastructure project for the North-West region.

Commercial agreements

No relevant updates.

Priority 2: Defence & Security

The European Defence Union

SAFE IMPLEMENTATION FRAMEWORK. The law approving the emergency ordinance amending GEO No. 62/2025 for the implementation of Regulation (EU) 2025/1106 - SAFE was adopted by the Senate. The ordinance introduces a more detailed institutional and financial framework for the rapid operationalisation of the SAFE Plan, in the context of the 30 May 2026 deadline for signing eligible contracts. Next, the law will be signed by the President of Romania.

STATE INTERVENTION IN STRATEGIC DEFENCE INDUSTRY. The Government adopted GEO 38/2026, which expands the expropriation framework and introduces mechanisms allowing the state to acquire shares or take over functional assets of companies declared of strategic interest in the defence industry. The ordinance aims to accelerate investments in critical defence capacities in the context of increased security risks and NATO/EU obligations. During the Government meeting, before the no-confidence vote, the text was expanded to include additional provisions beyond the initial defence/SAFE framework, including measures on electricity and gas compensation schemes, fiscal warehouses, PNRR implementation and gas infrastructure projects. The ordinance was published in the Official Gazette and is currently in force, but it has been challenged before the Constitutional Court by the Romanian Ombudsman. Separately, the Senate adopted the draft approval law with amendments, removing Articles III-XIV, which covered the provisions introduced beyond the initial SAFE-related core. The draft approval law will now move to the Chamber of Deputies, as decision-making chamber, while the constitutional proceedings continue in parallel.

UPDATED MILITARY PRODUCTS CONTROL LIST. The Government approved the Government Decision approving the updated list of military products subject to export, import, and other operational controls. The act fully transposes Delegated Directive (EU) 2026/325 and aligns the national list with the updated EU Common Military List of 24 February 2025. The decision was also published in the Official Gazette.

Borders and migration

EMPLOYMENT CONDITIONS FOR FOREIGNERS. The Senate adopted the draft bill approving the emergency ordinance which establishes the **legal framework for the employment of foreigners in Romania**, regulating the authorization and operation of placement agencies, the

obligations of employers and the conditions under which they can directly employ foreign workers, including the establishment of financial guarantees and sanctions. The act introduces a **new digital mechanism for the admission of foreigners through the WorkinRomania.gov.ro platform**, replacing the current system of employment permits, and brings changes to the long-stay visa regime, including new types of visas, clarification of the conditions for granting and the collection of biometric data. At the same time, transitional rules are provided for the implementation of the new system, deadlines for the adoption of subsequent acts and the relevant previous provisions are repealed, in order to ensure the transition to the new legislative framework. Next, the draft bill is expected to be registered at the Chamber of Deputies for the final debate.

BRIDGEforEU IMPLEMENTATION FRAMEWORK. The Ministry of Development has published a draft Government Decision establishing Romania's institutional framework for **implementing Regulation (EU) 2025/925 on BRIDGEforEU**, the EU instrument aimed at addressing administrative and legal obstacles in cross-border regions. The draft **designates the Ministry of Development, through the Directorate-General for European Territorial Cooperation, as the national authority responsible for handling cross-border obstacles** reported by public or private entities. Romanian authorities will have to respond within 30 calendar days, while the Ministry will coordinate with neighbouring Member States and report identified obstacles and adopted measures to the European Commission.

Security & crisis management

HYDROPOWER PROJECTS GRANTED NATIONAL SECURITY STATUS. The Chamber of Deputies, acting as the first chamber, has tacitly passed a **legislative proposal** establishing a **special legal framework for hydropower projects declared as matters of national security**. Under the new rules, hydropower developments can be designated as national security objectives by decision of the Supreme Council of National Defence, granting them strategic, national interest and public utility status. The bill reached the Senate for a final debate, with the committees having until June 9 to issue a report on this matter.

RESERVIST SYSTEM REFORM PROPOSED. The interim Ministry of National Defence (MApN) has proposed a **draft ordinance** to **reform the voluntary reservist system**. It introduces mandatory selection procedures, fixed-term contracts of 3 to 10 years, and expanded obligations for training and mission participation. Selected citizens would be subject to compulsory MApN evaluation, while reservists would be required to attend periodic training and missions, with non-compliance considered a disciplinary breach. The shortage of military personnel and the reduced efficiency of the voluntary reservist system determine the modification of the legal framework.

Priority 3: Social rights

Social fairness

SOCIAL PARTNERS REFORM. In late May, the Parliament adopted a **new law updating the legal framework governing sectoral and multisectoral committees**, aiming to strengthen social dialogue and improve coordination between employers' workforce needs and vocational qualification policies. The legislation grants automatic membership in sectoral committees to any trade union or employers' organization that gains representativeness at sector level, while also allowing certain non-representative but sufficiently large federations to participate in forming committees.

Young people & equality

NEW SOCIAL MEASURES INTO FORCE. Two new social measures adopted by Romania's Parliament were recently published in the Official Gazette:

(1) The **first law** approves GEO No. 43/2025 and **extends the validity of the electronic social voucher for educational support granted to disadvantaged preschool and school students**. The 500 RON one-off benefit, intended for the purchase of school supplies, may now be used until 31 October 2025 instead of the previous deadline of 31 August 2025.

(2) The **second law** amends GEO No. 91/2025 by **restoring full sick leave payments from the first day of medical leave for several categories of insured patients**, reversing the earlier rule under which the first day was unpaid. The measure applies to patients with chronic illnesses covered by national health programs, oncology patients, individuals with rare diseases, day hospitalization cases, and medical-surgical emergencies.

FIRST HOME VAT CUT. A new **legislative proposal** registered in the Senate introduces a **reduced VAT rate of 11% for the purchase of a first home by individuals under the age of 35**, subject to strict eligibility conditions related to the buyer, property value, and housing characteristics. Additionally, buyers would be restricted from selling the property for five years after purchase, with the restriction recorded in the land registry. The initiative is expected to influence mortgage lending conditions and improve affordability for first-time young homebuyers.

NEW ACCESSIBILITY RULES FOR SOCIAL SERVICES. Romania's Parliament has adopted a **new law** requiring accredited public and private social service providers to **ensure accessible information, communication, procedures and environments for people with disabilities**. The legislation is designed to improve access to public and private services for people living in the community, and its provisions will enter into force one year after publication in the Official Gazette.

Priority 4: Life quality

Agriculture & biodiversity

TEMPORARY STATE AID SCHEME FOR BEEKEEPERS. The law which introduces a state aid scheme for 2026- 2028 to support beekeepers was adopted by the Chamber of Deputies. The initiative addresses gaps not covered under the National Strategic Plan and is subject to prior authorisation by the European Commission. Eligible beneficiaries include registered individual beekeepers and legal entities holding officially recorded and veterinary-authorised bee colonies. The aid amounts to EUR 12 per bee family per year, for three years, within a total ceiling of RON 93.5 million, financed from the state budget through the Ministry of Agriculture. The scheme may be cumulated with other support measures and is protected from seizure in enforcement proceedings. Next, the law will be signed by the President of Romania.

TEMPORARY RESTRICTIONS ON GRAIN IMPORTS. A legislative proposal initiated by SOS senators would introduce temporary restrictions on grain imports from third countries during harvest periods. Imports would be allowed only with prior approval from the Ministry of Agriculture, while storage, sale, processing or use of grains imported without approval would be prohibited. The measure would apply annually for up to 120 days, based on harvest periods set by Government decision. The proposal was sent to the responsible committees of the Senate to issue a report by 09.06.2026. The proposal has a limited chance of adoption in its current form, given its restrictive approach to imports and the potential compatibility issues with EU trade and internal market rules, but it may still generate political debate in the context of pressure from domestic producers.

BEAR INTERVENTIONS. The law amending GEO No. 81/2021, initiated mainly by UDMR parliamentarians and adopted by the Chamber of Deputies, has been challenged before the Constitutional Court by the President of Romania. The law would introduce a structured national framework for managing the brown bear population, setting for 2026 a national prevention quota of 859 bears and an intervention quota of 110 bears, distributed across counties and hunting grounds. The constitutional challenge argues that fixed prevention quotas may conflict with the Habitats Directive, in the absence of detailed scientific justification, case-by-case derogation analysis and proof that non-lethal alternatives are insufficient. It also raises concerns that Parliament may be replacing the administrative derogation procedure normally handled by the competent environmental authority, while creating unclear rules on monitoring, sanctions and the relationship between the new mechanism and the existing derogation framework. The law is now pending CCR review before promulgation.

OTHER BEAR INTERVENTIONS. The law on the approval of the emergency ordinance on immediate interventions in brown bear incidents within localities was published in the Official Gazette. The ordinance revises the intervention framework, redefines operational methods, and clarifies the responsibilities of local authorities. It introduces the definition of the “habituated bear,” simplifies intervention procedures,

and updates feeding rules.

AGRICULTURAL SUSTAINABILITY DATA NETWORK. The draft bill on the approval of the emergency ordinance establishing the Agricultural Sustainability Data Network was registered and sent to the responsible committees of the Chamber of Deputies to issue a report by 03.06.2026. The ordinance aligns Romania with the updated EU framework and is intended to support agricultural policymaking, including CAP-related design and sustainability monitoring. It also provides for financial incentives for participating farmers, data integration from existing agricultural databases, and a dedicated institutional structure within the Ministry of Agriculture to manage the system and its relationship with the European Commission.

NEW SUMAL FORESTRY TRACEABILITY RULES. The Ministry of Environment published last week a draft Government Decision updating the methodological rules on the origin, traceability, transport and commercialisation of timber materials, while also revising the operational framework for the SUMAL 2.0 system. The measure is aligned with the new Forest Code, the EU Deforestation Regulation (EUDR) and the digitalisation investments supported through the NRRP. The draft introduces stricter monitoring obligations for timber operators and transporters, including mandatory use of SUMAL applications, GPS tracking, electronic transport notices and photo verification of timber loads. It also expands the circumstances under which timber may be considered of illegal origin, including intentional GPS interruptions or inconsistencies between declared and actual transport routes. In parallel, the project prepares the transition toward a new Integrated Forestry Information System developed together with STS, which would incorporate satellite monitoring, LiDAR sensors, video systems and interoperability with other public digital platforms, including RO e-Transport.

NATIONAL BIODIVERSITY STRATEGY 2026-2030. The Ministry of Environment published the draft Government Decision approving Romania's National Biodiversity Strategy and Action Plan for 2026-2030, aligned with the EU Biodiversity Strategy and the Kunming-Montreal Global Biodiversity Framework. The document establishes the main public policy directions for biodiversity protection, ecosystem restoration and the integration of biodiversity objectives into sectoral policies. The strategy is accompanied by an action plan and a monitoring framework detailing implementation responsibilities, indicators and reporting mechanisms. It includes measures related to the expansion of protected areas, restoration of ecosystems, integration of biodiversity requirements into energy, transport, agriculture and spatial planning policies, as well as the development of national biodiversity monitoring systems. The document also signals future regulatory and permitting implications for sectors exposed to environmental risks, particularly infrastructure and energy projects, as biodiversity considerations are expected to become increasingly integrated into authorisation and funding frameworks.

INCREASED BUDGET FOR AGRICULTURAL DIESEL EXCISE REDUCTION SCHEME. The Ministry of Agriculture published a draft Government Decision increasing the 2026 budget of the state aid scheme for reduced excise duty on diesel used in agriculture from RON 620 million to RON 714.3 million. The measure aims to fully cover reimbursement requests submitted through APIA for the first quarter of 2026, amid higher diesel prices and rising agricultural operating costs. Under the scheme, farmers in the vegetal, livestock and land

improvement sectors continue to receive reimbursement of the difference between the standard excise duty and the reduced agricultural rate, equivalent to approximately RON 2.697/litre. The additional allocation of RON 94.3 million is intended to finance reimbursement requests estimated at around RON 155.3 million for January-March 2026, covering an estimated 9,866 beneficiaries.

Climate change

MODERNIZING GAS NETWORKS. The law on the approval of the ordinance which proposes amendments to legislation concerning the Environmental Fund was published in the Official Gazette. The ordinance aims to modernize and expand natural gas transportation and distribution networks to integrate low-carbon gases.

SOCIAL CLIMATE PLAN. The law approving Emergency Ordinance No. 119/2024 on the preparation of Romania's National Social Climate Plan (PNSC) was published in the Official Gazette. The ordinance, in force since 2024, provides the legal framework for accessing EU Social Climate Fund (SCF) resources under Regulation (EU) 2023/955. This step aims to complete the legislative procedure and ensure consistency between the parliamentary process and the ongoing preparation of the PNSC, which remains under public consultation and outlines Romania's investment and social support measures for 2026 - 2032.

AIR QUALITY FORECASTING SYSTEM. The legislative proposal submitted by AUR parliamentarians to amend the legal framework on ambient air quality and national emissions reduction, by introducing a National Air Quality Forecasting and Warning System was sent to the responsible committees of the Senate to issue a report. The initiative would create the basis for short-term forecasts over 24, 48 and 72 hours, daily public bulletins, and pollution alerts to be issued when exceedance risks are identified, with local authorities required to inform the population and apply temporary response measures.

Priority 5: Democratic Europe

Democracy

ROMANIAN GOVERNMENT COLLAPSED. Prime Minister Ilie Bolojan's government was dismissed by a no-confidence vote backed by PSD together with the far-right parties AUR and PACE. The collapse of the coalition has triggered a severe parliamentary blockage, with **no viable majority currently in sight**. PNL and USR have both ruled out any future governing alliance with PSD, accusing the Social Democrats of engineering the crisis alongside AUR, while UDMR has rejected any arrangement dependent on extremist support. At the same time, PSD says it remains open to "all options" except a formal coalition with AUR, despite having voted together to remove the government. President Nicușor Dan has insisted that **Romania will ultimately have a pro-Western government** and has publicly dismissed the possibility of cooperation dependent on AUR votes.

GOVERNMENT TALKS FAIL. Following consultations convened by President Nicușor Dan after the fall of the government led by Ilie Bolojan, **Romania's political parties failed to agree on a new prime minister or governing formula**, exposing deep divisions over coalition partnerships and the possibility of a technocratic cabinet. PSD signalled openness to negotiations, including a government led by Sorin Grindeanu or a technocratic premier under strict conditions, while PNL and USR rejected cooperation with PSD, and AUR opposed technocratic solutions altogether despite expressing readiness to govern. UDMR ruled out any alliance involving AUR, minority groups backed rebuilding a PSD–PNL coalition focused on economic stability, and POT supported any pro-Western government with electoral legitimacy. Although parties remained divided on how to form the next executive, most agreed that Romania urgently needs a stable governing majority to avoid prolonging the country's political crisis.

Right now, the Romanian President is **reportedly considering appointing Eugen Tomac**, currently a presidential adviser and leader of PMP, **as the country's next prime minister**. According to political sources cited by Digi24, **the president favours an independent PM** and could make the nomination as early as this week, potentially without a new formal round of consultations with political parties. Other options under discussion include a technocratic government supported by parties in a future coalition

ROMANIA SETS UP DIGITAL ID COMMISSION. Romania's interim Prime Minister Ilie Bolojan has approved the **creation** of the **RO EUDIW Commission** to coordinate the institutional, legal and technical framework required **for the implementation of the European Digital Identity Wallet**. The initiative will require interoperability adjustments from public institutions, IT companies, digital service providers and banks using electronic identification or digital onboarding systems. It will oversee the integration of platforms such as electronic ID, ROeID, ghișeul.ro, anaf.ro and cnpp.ro into a single architecture for the European digital wallet, while also preparing legislative proposals aligned

with EU Regulation 2024/1183.

GUIDE: LOBBY TRANSPARENCY RULES FOR MPs. The joint Permanent Bureaus of Parliament have approved **new RUTI guidelines requiring MPs to publicly disclose meetings with third parties involved in influencing legislation**. Under Law No. 197/2025, deputies and senators must publish details of relevant meetings linked to legislative initiatives under parliamentary review, including participants, represented entities, meeting dates, locations and the purpose of the interaction. The rules require publication at least 48 hours in advance, or within 48 hours after unplanned meetings. Cancelled meetings must remain visible in the system, and failure to comply may trigger sanctions.

Rule of law

CRIMINAL PROCEDURE REFORM. The Parliament has adopted a **law** aimed at **improving the efficiency of criminal proceedings and strengthening the protection of victims, particularly minors**. The law introduces significant changes to the Criminal Procedure Code, including the transfer of cases involving sexual abuse of minors to tribunals instead of lower courts. It expands victims' rights by facilitating access to information, translation services, and online complaint mechanisms. However, the High Court of Cassation and Justice (ÎCCJ) has notified the Constitutional Court regarding this law, which means the final decision of the Court will give the next procedural step of this law.

CCR ATTENDANCE RULES TO BE TIGHTENED. Instead, the Chamber of Deputies, acting as the first notified chamber, has tacitly passed a **legislative proposal** that introduces **stricter rules on the activity, attendance, and accountability of Constitutional Court judges**. Under the new provisions, attendance at plenary sessions becomes mandatory, while any absence must be justified in writing and may only be accepted for medical reasons, force majeure, or unforeseen circumstances. Judges are also required to formally recuse themselves in cases of conflict of interest, and the law introduces clear conditions for terminating mandates, including incompatibility, three consecutive unjustified absences, or inability to perform duties for more than 90 days. The bill has been sent to the Senate, where the committees shall issue a report by June 3.

EU ELECTRONIC EVIDENCE FRAMEWORK. Before its dismissal, the Government has adopted a new **bill transposing EU Directive 1544/2023**, establishing a **legal framework for digital and electronic communications providers** to designate legal representatives or registered offices in order to receive and execute European orders for electronic evidence in criminal proceedings. The measure clarifies compliance obligations for telecom and digital service operators, assigns ANCOM as the central coordinating authority, and introduces a sanctions regime for non-compliance. The bill has reached the Chamber of Deputies, where the committees had until May 26 to issue a report; the report is still pending.

Civil society

SENATE ADOPTS NGO FUNDING TRANSPARENCY RULE. Romania's Senate, acting as the first chamber, has adopted an AUR **legislative initiative** that introduces **a new obligation for NGOs to report all annual revenues and funding sources**. Failure to comply would lead to automatic suspension of the organization's activity for up to one year, followed by dissolution if non-compliance persists. The bill has reached the Chamber of Deputies for a final debate, with the committees having until June 17 to issue a report.

President Nicușor Dan has criticized this bill, calling parts of the initiative “disproportionate” and a potential new source of social tension. While acknowledging that NGOs already have transparency obligations toward the state and that additional reporting on major donations could be acceptable, he warned that **full public disclosure of donors could discourage civic engagement and weaken civil society**. He urged the deputies to consult representative civil society organizations during the legislative process.

MULTI-YEAR NGO FUNDING LAW. Instead, the Chamber of Deputies has adopted a new **law** introducing a **framework for multi-annual funding of non-profit projects**, establishing clearer rules for framework agreements, project selection, budget allocation, and annual reporting obligations. Framework agreements may be concluded for up to four years and will set the total value of funding, project objectives, and monitoring conditions, while project selection will be carried out once through a public procedure. Financing is approved for the full duration of each project, with funds disbursed annually in line with contractual provisions. The law will soon be signed and published in the Official Gazette.

CES REFORM PROPOSAL. AUR has submitted a **legislative proposal** in the Romanian Senate to **restructure the Economic and Social Council (CES), reducing its plenary membership to 15**, including the president and vice-president. Under the proposal, the composition would include five representatives appointed by nationally representative employers' confederations, five by nationally representative trade union confederations, and five members representing civil society.

Priority 6: Foreign affairs

Enlargement and wider neighbourhood

ROMANIA-EGYPT MILITARY COOPERATION. The Chamber of Deputies adopted the draft bill **ratifying the Memorandum of Understanding on military cooperation between the Government of Romania**, represented by the Ministry of National Defense, **and the Government of the Arab Republic of Egypt**, represented by the Ministry of Defense, signed in Cairo on November 2, 2025. The memorandum contains **provisions regarding purpose, definitions, areas of cooperation, forms of cooperation, implementation, the joint military committee, financial aspects, visits, protection of exchanged classified military information, jurisdiction, dispute settlement** and final provisions. The draft bill was also registered with the Senate for the final debate and is expected to receive a joint report from the Committee for Defence and the Committee for Foreign Policy by June 16.

ROMANIA AND MOLDOVA STRENGTHEN INTERNAL AFFAIRS COOPERATION. Romania and the Republic of Moldova discussed closer cooperation on border security, cross-border crime, emergency management and institutional resilience during a meeting between the two interior ministers on 12 May. The talks focused on improving traffic flows at the common border, including coordinated border control, and on Romania's support for Moldova's EU accession process under Chapter 24 on Justice, Freedom and Security. Romania will continue providing expertise, training and operational support, including through police cooperation mechanisms, joint patrols, task forces and ongoing projects in migration and asylum.

UKRAINE ACCEPTS DUAL CITIZENSHIP WITH ROMANIA. The Romanian Government welcomed Ukraine's decision to include Romania among the states whose citizens may acquire Ukrainian citizenship through a simplified procedure while retaining dual citizenship. The measure was adopted through a Resolution and was described by the Romanian Government as a step supporting bilateral relations and closer ties between citizens of the two countries, in the broader context of Romania's support for Ukraine and its European path.

A new economic foreign policy

No relevant updates.

Reforming the international system

THE REVITALIZATION OF THE BUCHAREST 9 FORMAT. Romania hosted the **Bucharest 9 (B9) summit**, marking a pivotal resurgence of **the eastern flank alliance**, transforming it from a latent format into an active strategic instrument that integrates both eastern and nordic allies into a unified security continuum extending from the Arctic to the Black Sea against Russian threats. Co-presided over by Romania and Poland, the summit served as a critical milestone for Romanian President Nicușor Dan, signaling the completion of his foreign policy adaptation period as he navigated complex domestic and transatlantic pressures alongside high-profile leaders like Ukrainian President Volodymyr Zelenskyy and NATO Secretary General Mark Rutte. Crucially, the summit became the first high-level platform to officially endorse the concept of "**NATO 3.0**," a structural rebalancing wherein European allies assume primary responsibility for conventional continental defense while the United States maintains its global, non-conventional role. This historic consensus was codified in a joint declaration signed by almost all participating states, with a constructive abstention from Hungary, signaling a unified commitment to preserving the transatlantic bond ahead of the upcoming critical NATO summit in Ankara.

MONTHLY REPORT ANNEX

From a total of **15 normative acts** adopted this month aimed at modifying or implementing reforms or investments within the NRRP, **3 emergency ordinances, 4 Government Decisions and 4 ministerial orders** were adopted by the Government and its related ministries. **4 laws** were adopted by the Parliament. The measures cover multiple NRRP components, including **C7, C9 and C14**, alongside several cross-cutting measures with broader implementation relevance.