

Monthly Report - NRRP and EC Priorities

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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

REFORM 2, M4 – WATER LAW. The law establishing the economic mechanism for the National Administration "Apele Române" (ANAR) based on World Bank technical recommendations was published in the Official Gazette. We remind you that this measure fulfils **NRRP Milestone 4 (Component 1, Reform 2)**. To ensure long-term maintenance, rehabilitation, and development of flood risk management infrastructure such as dams and dikes, the law mandates that ANAR dedicate minimum thresholds of its own revenue to investment projects: at least 12% from 2027 to 2031, rising to 18% starting in 2032.

Investments

No relevant updates.

C2. Forests and biodiversity protection

Reforms

No relevant updates.

Investments

No relevant updates.

C3. Waste management

Reforms

No relevant updates.

Investments

INVESTMENT 1 – BUCHAREST CONSULTS ON NEW WASTE MANAGEMENT STRATEGY. Bucharest City Hall has launched a public consultation on the updated Integrated Waste Management Strategy, which establishes the framework for separate collection, treatment, recycling and disposal of municipal waste across the capital. The strategy supports **NRRP Component 3, Investment 1**, maintaining investments in voluntary collection centres, digitalised ecological islands, integrated separate collection facilities and recycling infrastructure.

INVESTMENT 1, T49 – INAUGURATION OF THE FIRST CAV. The Minister of Environment, Water and Forests, Diana Buzoianu, participated in Cluj-Napoca, at the inauguration of the first Large Voluntary Collection Centre (CAV) in Romania, financed through **NRRP - Component 3, Investment 1, Target 49**. The investment budget is over RON 27.4 million and is the first of the 13 to be implemented at the national level. The entire infrastructure of the Cluj centre covers an area of 1.4 hectares (14,000 sq m) and allows for the separate collection of household waste that cannot be collected through the "door-to-door" system, as well as special waste flows.

Context – There is 1 legislative proposal in Parliament that seeks to support the implementation of Target 49, with low chances of becoming law.

INVESTMENT 2, T55 – BIOGAS AID SCHEME DEADLINES EXTENDED. The Ministry of Environment has published two orders extending the state aid scheme for investments in biogas production from manure under **NRRP Target 55 (Component 3, Investment 2)**. The **first order** extends the scheme's application deadline to 31 July 2026, while the **second order** extends the deadline for payments to beneficiaries to 31 August 2026, supporting

the implementation of biogas production projects financed through the NRRP.

C4. Sustainable transport

Reforms

No relevant updates.

Investments

INVESTMENT 3, T85 - NRRP-FUNDED ROAD PASSAGE OPENED IN ORADEA. A new overpass on the Oradea ring road, at the intersection with the Oșorhei ring road, was completed and opened to traffic. The investment, worth RON 27.5 million, was financed through the NRRP, as it contributes to the achievement of **Target 85, Investment 3 – Component 4**. The project aims to improve traffic flows on the Oradea ring road, reduce congestion and support mobility in the metropolitan area.

Moreover, the Ministry of Transportation and Infrastructure (MTI), acting as the coordinator for **NRRP Component 4**, has officially signed a funding contract with CNAIR, in partnership with the Bihor County Council and Oradea Municipality, for the construction of an underground road and pedestrian passage at the intersection of DN 79 and the Oradea Ring Road. It contributes directly to the fulfillment of **Investment 3, Target 85**

INVESTMENT 3, T85 – NRRP FUNDS TO INCREASE ROAD SAFETY. The National Road Infrastructure Management Company (CNAIR) is implementing a project to increase road safety on national roads. Over 2,200 autonomous lighting poles, equipped with directional LED lamps and photovoltaic panels, will be installed at pedestrian crossings and specific markings will be created. The financing is carried out through **NRRP - Component 4, Investment 3, Target 85**, *regarding the reduction of road safety black spots/hotspots*.

C5. The Renovation Wave

Reforms

No relevant updates.

Investments

NEW TEMPORARY RECEPTION MECHANISM FOR PUBLIC AND NRRP INVESTMENTS. A **new law** published in the Official Gazette introduces a temporary mechanism allowing the reception of public construction works even if limited auxiliary works or definitive utility connections remain incomplete. The measure permits reception provided the outstanding works do not affect safety or essential quality standards and represent no more than 5% of the project's total value, with all remaining works to be completed within 120 days. Although the law does not designate a specific milestone, its scope directly encompasses projects like the energy and integrated building renovations under **NRRP Component 5**.

C6. Energy

Reforms

REFORM 1, M116 – PERIMETERS FOR OFFSHORE WIND ENERGY. Energy Ministry issued a new draft decision that approves six offshore wind perimeters and development zones within the Romanian sector of the Black Sea. It authorizes the Ministry to initiate competitive concession procedures and provide developers staged access to projects with an estimated total capacity of 11.5 GW. Importantly, this measure directly contributes to the fulfilment of **Milestone 116 (Reform 1) under Component 6 of the NRRP**.

Context – There is one draft GEO, issued in early January 2026, that seeks to partially implement Milestone 116 and 128. Since the Government is interim, there are low chances of it becoming a normative act.

REFORM 4, M126 – HYDROGEN FUELING SAFETY FRAMEWORK. The law approving GEO No. 11/2023 was published in the Official Gazette, updating Romania's legislative framework for hydrogen infrastructure. This contributes to the achievement of **NRRP Milestone**

126 (Reform 4, Component 6). The law extends safety regulations to hydrogen refuelling installations, establishes technical requirements for high-pressure hydrogen transport and fuelling operations, and creates a comprehensive regulatory framework for hydrogen and compressed natural gas (CNG) infrastructure for vehicles.

REFORM 4, M126 – RENEWABLE HYDROGEN BILL. Additionally, the Senate is currently debating, as the first chamber, a **bill** which also contributes to the implementation of **NRRP Milestone 126 (Component 6, Reform 4)**. It focuses mandatory requirements exclusively on renewable hydrogen and introduces new obligations for fuel suppliers, industrial hydrogen consumers and producers. It also provides for penalties for non-compliance and enables future support schemes, including Contracts for Difference (CfDs), to encourage renewable hydrogen production.

REFORM 6, M128 – BIOMASS SUSTAINABILITY BILL. The Chamber of Deputies has approved, as the first chamber, a **bill** implementing **NRRP Milestone 128 (Component 6, Reform 6)**, introducing sustainability, traceability and reporting requirements for the use of forest biomass in the energy sector. The draft requires larger biomass installations to use certified sustainable biomass, introduces annual sustainability reporting verified by independent auditors, and provides voluntary support schemes to replace inefficient heating systems with low-carbon alternatives by 2040. It also extends the deadline for installing individual heat metering systems in apartment buildings to 31 December 2030. Now the bill has reached the Senate, where it could be adopted today.

***Context** – There is one draft GEO, issued in early January 2026, that seeks to partially implement Milestone 116 and 128. Since the Government is interim, there are low chances of it becoming a normative act.*

Investments

No relevant updates.

C7. Digital transformation

Reforms

No relevant updates.

Investments

INVESTMENT 3, M160 – e-SănătateaMea PORTAL. A new law published in the Official Gazette integrates the "e-SănătateaMea" patient portal into the National Health Insurance Platform (PIAS), implementing **NRRP Component 7, Investment 3, Milestone 160**. Managed by the National Health Insurance House (CNAS), the platform will give insured citizens secure digital access to their medical records, electronic prescriptions and other health documents from the second half of 2026. The law also requires all healthcare providers to use the integrated electronic appointment system from the fourth quarter of 2026, supporting the NRRP objective of completing the optimisation of PIAS by 31 August 2026.

INVESTMENT 4, M164 – DIGITALIZATION OF THE PUBLIC MINISTRY. The Prosecutor's Office attached to the High Court of Cassation and Justice (PÎCCJ) announced the completion of the fifth project financed by the NRRP, aimed at modernizing the IT infrastructure and strengthening cybersecurity at the level of the Public Ministry. The project, with a total value of over RON 39 million, was fully financed from non-reimbursable European funds and implemented between January 2023 and July 2026. The investment was carried out under **Component 7 (Investment 4, Milestone 164)**.

INVESTMENT 4, M165 – COMPLETION OF ROMARMIS 2. The National Agency for the Administration of Confiscated Assets (ANABI) announces the completion of the project "Development of the integrated national information system for recording receivables from crimes (ROARMIS 2)". The project contributes to the achievement of **Milestone 165 of the NRRP (Investment 4, Component 7)** on the digitalization of the judicial system. It was implemented over a period of **37 months**, with the objective of qualitative and quantitative development of the integrated national information system for recording receivables from crimes - ROARMIS and the consolidation of the information infrastructure necessary for carrying out specific activities for the recovery of receivables from crimes.

INVESTMENT 8, T188 – NEW NRRP ACHIEVEMENT. The interim Minister of Economy, Irineu Darău, announced the achievement of **NRRP Target 188 (Investment 18 - Component 7)**. The project aims to automate repetitive tasks so that civil servants can focus on value-added activities, and citizens benefit from shorter response times, fewer errors, and more efficient public services.

C8. Tax reform and pension reform

Reforms

REFORM 1, M197 - ANAF AND CUSTOMS PERFORMANCE BONUS SCHEME. The Senate adopted the legislative proposal which aims to introduce a bonus/malus mechanism for ANAF and Romanian Customs staff, linked to key performance indicators, in order to meet **Milestone 197 of Reform 1, Component 8 of the PNRR**. The measure allows for the granting of annual financial rewards, up to 12% of basic salary expenses, and introduces the reduction of salary rights for staff with insufficient performance. It also establishes incentives for exceptional results in tax and customs controls, applicable to final and effectively collected receivables over 1 million euros, up to 3% of these amounts. The legislative proposal was also adopted by the Chamber of Deputies as decisional chamber and is expected to be soon signed by the President.

REFORM 5, M209 – OPERATIONALIZATION OF THE INVESTMENT AND DEVELOPMENT BANK. The Official Gazette published the law approving the emergency ordinance that aims to operationalize the Investment and Development Bank (BID) by the fourth quarter of 2024. The normative act establishes the powers that BID will take over from Exim Banca Românească S.A. in investments in sectors such as infrastructure, agriculture, energy, health, environmental protection and regional development, as well as the role that Exim Banca Românească S.A. will continue to have it in the export sector, supporting the expansion of Romanian companies on foreign markets. The law entered into force on July 5. This measure supports **NRRP Milestone 209 (Reform 5 – Component 8)**.

Investments

INVESTMENT 11, M240 - BID CAPITALIZATION DEADLINE EXTENSION. The Senate has registered a legislative proposal submitted by PNL **extending until September 30, 2026 the deadline for the payment** of the amounts intended for the **increase in the share capital of the Investment and Development Bank**, in order to allow the operationalization of the additional capitalization related to the new added **Milestone 240, Investment 11 of Component 8 of the PNRR** in the context of the **increase in the planned allocation from 100 to 250 million euros**. The initiative has been sent to the Budget Committee, which is due to issue a report soon.

INVESTMENT 11, M240 - BID CAPITALIZATION DEADLINE EXTENSION. The PNL MPs also submitted to the Senate another legislative proposal which **extends from June 30 to September 30, 2026 the deadline for the payment of the 511 million RON** intended for the **increase in the share capital of the Investment and Development Bank**, without changing the value or destination of the amount, in relation to **Milestone 240, Investment 11 of Component 8 of the PNRR**. The initiative has been sent to the Budget Committee, which is due to issue a report soon.

INVESTMENT 11, M240 - BID INVESTMENT IN THE THREE SEAS INFRASTRUCTURE FUND. The Ministry of Finance published a draft decision which authorizes the **Investment and Development Bank**, in accordance with **Milestone 240, Investment 11 of Component 8 of the PNRR, to invest EUR 50 million, on behalf of the state, in the Three Seas Initiative Infrastructure Fund of Funds**, for the financing of regional energy, transport and digital or social infrastructure projects. After the public debate period the Government is expected to adopt the decision.

INVESTMENT 7, M237 - PROPERTY DATABASE. The Official Gazette published the law approving the emergency ordinance which **extends a series of deadlines related to property taxation and strengthening administrative capacity in this area** and approves the **development of a national property database** and the implementation of specific taxation models in order to fulfill **Milestone 237, Investment 7 of the Component 8 of NRRP**. It is also foreseen to establish a **specialized structure within the Ministry of Finance, which will have the responsibility of managing the real estate database** and coordinating the implementation of the property taxation reform. It will collaborate with the National Agency for Cadastre and Real Estate Advertising for access to the necessary IT systems, such as the integrated cadastre and land book system. The law entered into force on July 23.

Context – There are currently 2 legislative proposals regarding the capitalization of the Investment and Development Bank connected to the Milestone 240 from the Investment 11. Both of them are in debate at the Senate and are expected to go soon to the Chamber of Deputies for the final debate.

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

Reforms

REFORM 1, M243 & M246 – UNIQUE INDUSTRIAL LICENSE. The Government adopted an informational note confirming that all competent authorities, including ANRE, should remain integrated into the Electronic Single Contact Point for Industrial Licensing (PCUEL) to ensure compliance with **NRRP Component 9, Reform 1**. The note warns that excluding ANRE could jeopardise the completed **Milestone 243** on the legislative framework for the unique industrial licence and put at risk the fulfilment of **Milestone 246**, which requires the full operationalisation of the **PCUEL** digital platform by 30 July 2026, potentially leading to financial corrections and delays in Romania's OECD accession process.

REFORM 1, M246 – UNIQUE INDUSTRIAL LICENCE PLATFORM. The Ministry of Economy has launched for public consultation a draft

decision implementing **NRRP Milestone 246 (Component 9, Investment 1)**, which makes the Electronic Single Contact Point for Industrial Licensing (PCUEL) the mandatory platform for obtaining and managing the unique industrial licence. Under the proposal, industrial operators will submit applications electronically through a single account for each establishment and CAEN code, receive online communications from authorities, and monitor the status of their licences.

REFORMS 2, M271-272 / REFORM 4 - T277 – RESEARCH AND INNOVATION LAW. Parliament has published in the Official Gazette a new law establishing unified digital platforms for research, development and innovation (RDI) funding, supporting the implementation of **NRRP Component 9**, including *Milestones 271, 272, 276 (Reform 2)* and *Target 277 (Reform 4)*. The law introduces a single electronic contact point for RDI funding, creates the RoInovare Unit and the RDI Observatory (OCDI), requires companies to participate in at least 27% of publicly funded RDI projects, and strengthens public-private partnerships through new funding, evaluation and transparency rules aimed at increasing private investment in research and innovation.

Investments

INVESTMENT 2 – EIB CONTRACT AMENDED FOR NRRP COMPONENT 9 FUNDING. MIPE has published for consultation a new draft decision approving an addendum to the financing agreement with the **European Investment Bank (EIB)** under **NRRP Component 9, Sub-investment 2.4**, reducing Romania's contribution to the NRRP Fund of Funds from EUR 300 million to EUR 100 million. The proposal eliminates the direct lending instrument, leaving business financing to be provided exclusively through financial intermediaries, while requiring the EIB to return EUR 50 million in unallocated funds to MIPE. Existing commitments of approximately EUR 98 million to final beneficiaries would remain unaffected.

INVESTMENT 3.1, T263 – TWO SMEs DIGITALIZED THROUGH NRRP. The companies STUDIO-DRAFTCLOUD SRL and SUCURILE RODAS SRL announced the completion of digitalization projects financed by the **NRRP**, within the investment dedicated to supporting SMEs in adopting digital technologies - **Target 263 (Investment I3.1), Component 9**. The projects aimed at the acquisition of hardware and software equipment, the implementation of IT solutions and the training of employees to develop digital skills, with the aim of increasing the efficiency, productivity and competitiveness of the two companies.

INVESTMENTS 8 & 10 – COMPLETION OF NRRP PROJECTS WITHIN UBB. Babeş-Bolyai University announced the completion of **18 NRRP-funded projects** worth over RON 114 million (excluding VAT). Seventeen projects were implemented under **Component 9, Investment 8**, to attract highly qualified international researchers and strengthen research and innovation in fields including medicine, biotechnology and climate change, while the remaining project, under **Investment 10**, established a regional career guidance centre integrated into the ERA TALENT Platform.

INVESTMENT 3, T263 - FUNDED DIGITALIZATION OF EDUCATIONAL SERVICES. LEARN EASY S.R.L. completed, between May 8, 2025 and July 31, 2026, the project "*Digitalization of Education for Children and Adolescents*", financed through *Target 263, Investment 3, Component 9 of the PNRR*. The investment, with a total value of 126,477.99 lei, of which 94,470.74 lei was non-reimbursable financing, included *IT equipment, software solutions, cloud services, cybersecurity measures and staff training to increase the company's digital intensity*.

C10. The local fund

Reforms

REFORM 5, M315 – CHAMBER APPROVES URBAN PLANNING CODE. The Chamber of Deputies has adopted, with substantial amendments, the **Urban Planning, Territorial Planning and Construction Code (CATUC)**, which implements **NRRP Milestone 315 (Component 10, Reform 5)**. As the changes require renewed bicameral review, the bill returned to the Senate for final debate and could be adopted today. The draft introduces a unified legal framework for urban planning and construction, strengthens the role of urban plans in development approvals, allows infrastructure charges to be imposed across entire development areas, streamlines permitting by reusing certain planning approvals, strengthens protections for green spaces, and introduces new insurance obligations for developers and contractors. It also reorganises Bucharest's urban planning administration from 1 November 2028.

Investments

INVESTMENTS I.1.3 & I.1.4. – EXTENSION OF NRRP DEADLINES. An order that extends the implementation period of the NRRP projects for bicycle paths and electric vehicle recharging points from July 31 to August 30, 2026, was published in the Official Gazette. The measure applies to beneficiaries whose projects are managed by MDLPA and approved for continuation, related to investments **I.1.3** and **I.1.4 (Component 10)**, and the contractors, designers, executors and suppliers involved may use the extended term to complete the works, deliveries, receptions and closing documentation, without changing the scope of the investments.

C11. Tourism and culture

Reforms

INVESTMENT 1, M332 – TELEKI CASTLE OPENS AFTER RESTAURATION. Teleki Castle will reopen to the public on 1 August following a nearly three-year restoration financed through the "Attractive Romania" programme under **NRRP Milestone 332 (Component 11, Investment 1)**. The EUR 4.6 million project restored one of Transylvania's most important Baroque monuments, uncovered valuable historic murals, and aims to transform the estate into a centre for cultural, tourism and community activities.

Investments

No relevant updates.

C12. Health

Reforms

No relevant updates.

Investments

MINISTRY OF HEALTH REACHES 81% NRRP ABSORPTION RATE. The Ministry of Health announced an **81% absorption rate** for its **NRRP-funded healthcare investments – Component 12**, alongside new payments exceeding RON 162.5 million for hospital modernisation and digitalisation projects. The funding supports intensive care expansions, digital health infrastructure, hospital upgrades, infection prevention measures and integrated community care centres.

STATUS ON NRRP HEALTH PROJECTS. Between July 13 and 17, 2026, the Ministry of Health signed new addenda for **NRRP-funded**

healthcare projects – Component 12, allowing the continuation of investments in hospital infrastructure, infection prevention, integrated community centres, neonatal intensive care and hospital digitalisation. The updated contracts cover projects at the Sighetu Marmatiei Municipal Hospital (nosocomial infection prevention), integrated community centres in Tutova, Susani, Dulcești, Ferești and Frasin, neonatal intensive care projects in Oradea and Brașov, and digitalisation investments at the "George I.M. Georgescu" Institute of Cardiovascular Diseases (Iași), Filantropia Clinical Hospital, the "Louis Țurcanu" Children's Emergency Hospital (Timișoara), and hospitals in Baia Mare, Medgidia, Vișeu de Sus and Călărași.

INVESTMENT 1, T 369, 370 - HEALTHCARE INFRASTRUCTURE PROJECTS NEAR COMPLETION. The first health investments financed through *Component 12, Investment 1, Targets 369 and 370 of the NRRP* were completed in Craiova and Sibiu, and the projects in Târgu Mureș, the "Marius Nasta" Institute, Bistrița-Năsăud, Cluj and Balotești are to be received by the end of August 2026. The Constanța County Emergency Hospital - Mother and Child project, which is over 69% complete, will not be completed within the PNRR deadline and will continue after August 31, 2026 through the Health Operational Program.

C13. Social reforms

Reforms

REFORM 2, T383 - HOUSING AND TRANSITION SUPPORT FOR DEINSTITUTIONALIZED PERSONS. The Official Gazette published the Decision no. 596/2026 which regulates the granting of the housing benefit and the transition benefit to adults with disabilities deinstitutionalized or at risk of institutionalization, in accordance with **Target 383, Reform 2, Component 13 of the PNRR**, covering housing and transition expenses based on the costs actually incurred and justified. The decision entered into force on July 28.

REFORM 2, T383 – PROTECTION SYSTEM FOR ADULTS WITH DISABILITIES. The Official Gazette published the law approving GEO 90/2025 that introduces significant measures to achieve **Target 383 of the NRRP (Component 13, Reform 2)** and aims to deinstitutionalize adults with disabilities and significantly reduce their numbers in institutions by June 30, 2026. It also clarifies the role of the professional personal assistant as a certified individual providing care and expands the definition of protection measures to include a broad spectrum of social services, such as home care, mobile teams, and sheltered housing. A central feature is, furthermore, the introduction of a new social service: assisted living in the community for independent living, which empowers individuals with disabilities to exercise choice and control over their lives within a community setting. The law entered into force on July 23.

Investments

No relevant updates.

C14. Good governance

Reforms

REFORM 1, T407 - BETTER REGULATION STRATEGY. The Government has adopted and published in the Official Gazette the 2026–2034 Better Regulation Strategy and its Action Plan, implementing **NRRP Target 407 (Component 14, Reform 1)**. The strategy aims to improve the quality of policymaking by strengthening impact assessments, expanding stakeholder consultations, reducing administrative burdens, and accelerating the digitalization of public administration. It also establishes an interministerial monitoring committee coordinated by the General Secretariat of the Government to oversee implementation.

REFORM 3, M417 - PUBLIC ADMINISTRATION RECRUITMENT, UPDATED. The Ministry of Development has published a **draft Government Decision** to expand the 2025–2026 recruitment and promotion plans for the civil service. The proposal updates the framework that was previously implemented **NRRP Milestone 417 (Reform 3, Component 14)**, while maintaining that all staffing costs must be covered within existing institutional budgets and expenditure limits.

Context – There is 1 draft bill in Parliament that aims to contribute to the achievement of Milestone 417, with medium chances of passing.

REFORM 3, M418 - CIVIL SERVICE REFORM. Parliament has adopted, under an expedited procedure, the **law** amending the Administrative Code to contribute to the implementation of **NRRP Milestone 418 (Component 14, Reform 3)**. It introduces a unified framework for merit-based human resources management in the public administration. The law establishes competency-based promotion for civil servants, extends integrity and conflict-of-interest rules to contractual staff, requires public institutions to align job descriptions with competency frameworks by 1 January 2027.

Context – There are 1 draft bill approving an ordinance in Parliament, 1 draft bill from March 2025, 1 draft ordinance from April 2024,

and 1 draft decision from 2022, that seek to achieve the implementation of Milestone 418. Only the bill from the Parliament has medium to high chances of becoming law.

REFORM 4, M420 - UNIFIED PAY LAW, NEGOTIATIONS CONTINUE. This month, the Government continued consultations on the **unified public sector pay law**, a key NRRP milestone (**Milestone 420, Reform 4, Component 14**) that Romania must adopt by 31 August 2026. The Ministry of Labour published the consolidated draft following consultations with trade unions, public institutions, the Ministry of Finance and the European Commission, stating that the revised version complies with NRRP requirements while respecting fiscal commitments. Political parties, including PNL and PSD, have held separate talks with trade unions and announced further amendments, while Labour Minister Dragoş Pîslaru said negotiations would continue into mid-August before the bill is submitted to Parliament.

The reform continues to face significant political, legal and social opposition. Trade unions, particularly SANITAS and representatives of the public pensions sector, argue the draft could reduce incomes, maintain pay inequalities and worsen staff shortages, prompting warning strikes and a general strike in the healthcare sector. The Bucharest Court of Appeal temporarily suspended the legislative procedure following a SANITAS challenge, a decision the Government is appealing, while the High Court has warned it may challenge the law before the Constitutional Court over procedural and constitutional concerns. Meanwhile, PSD, AUR and UDMR have all expressed reservations about supporting the current draft, with negotiations ongoing as authorities seek to address union concerns while keeping the reform on track to meet Romania's NRRP deadline.

REFORM 7, M431 - INTEGRITY LAW REFORM. The Chamber of deputies has adopted a **draft integrity law** aimed at fulfilling **NRRP Milestone 431 (Reform 7 – Component 14)** by consolidating Romania's rules on asset declarations, conflicts of interest, incompatibilities and the PREVENT system. The deputies brought a series of amendments to this bill, however. The main changes replace the publication of full asset declarations with a limited public register and a new public financial interests declaration, bring a three-year ban from public office automatic following final ANI findings, expand declaration obligations to additional categories of officials, and clarify conflict-of-interest and incompatibility rules, particularly for local elected officials. The bill has reached the Senate where it could be adopted today.

REFORM 9, M439 - CORPORATE GOVERNANCE RULES. The **law** approving GEO No. 108/2024 was published in the Official Gazette. It aligns Romania's corporate governance rules for state-owned enterprises with PNRR requirements (**Milestone 439, Reform 9 – Component 14**) by removing exemptions from the corporate governance framework, including for RA-APPS.

Context – There are 2 legislative proposals in Parliament (low chances of passing) and 1 draft GEO from December 2024 that seek to implement Milestone 439.

REFORM 9, T442 - STATE-OWNED COMPANIES APPOINTMENTS. AMEPIP has fined four current and former ministers in the Bolojan

cabinet for failing to appoint permanent management boards at several state-owned companies within the legal deadline, a key requirement for meeting **NRRP Target 442 (Reform 9, Component 14)**, which aims to reduce interim appointments by 31 March 2026.

REFORM 9, T443 - STATE ENERGY COMPANIES MERGER. The merger between the State Energy Holdings Administration Company (SAPE) and Electrocentrale Grup has entered its final stage, with the merger agreement expected to be signed next week and the reorganization completed by 31 August 2026. This merger is in line with Romania's NRRP commitments under **Component 14, Reform 9 (Target 443)**. According to interim Deputy Prime Minister Oana Gheorghiu, the merger forms part of the state-owned enterprise reform aimed at consolidating and streamlining public companies in the energy sector. Technical and legal aspects of the transaction, as well as its impact on employees, are currently being reviewed.

Context – Concerning Target 443, in Parliament there are 2 legislative proposals (low chances) that would negatively affect the implementation of this target, while 1 law already adopted by MPs and referred to the Constitutional Court would block this Target. The Government has proposed a Decision in Late May 2026 that would help the implementation of this target.

Investments

No relevant updates.

C15. Education

Reforms

REFORM 1, M452 - UNIVERSITY FUNDING AND DOCTORAL RULES. Approved by the MPs, the **law** approving GEO No. 28/2026 was published in the Official Gazette. We remind you that the ordinance amends Romania's Education Laws (Nos. 198/2023 and 199/2023), which previously implemented **Milestone 452 (Reform 1, Component 15)** of the NRRP. It introduces measures to address staffing shortages and ensure continuity in the 2026 - 2027 school year. The changes brought by the MPs cover competitive recruitment for teaching positions, expanded funding for certain educational institutions, bilingual classes, the status of defence students, and the establishment of the Romanian Corps for Education Abroad.

Context - *There are currently 59 initiatives in Parliament that amend Milestone 452, out of which only 5 have medium to high chances of passing the vote.*

Investments

INVESTMENT 1, T457 - NEW NURSERIES BUILT. Development Minister Cseke Attila inaugurated several new nurseries in Alba Iulia, Rona de Jos, Poiana Stampei, Dumbrăveni, Slobozia Bradului, Șimonești, Ciucsângeorgiu, Petroșani, Zlatna, Oradea, Maramureș, Bacău, and Brașov under the Government’s “**Saint Ana**” programme, financed through the NRRP (**Component 15, Investment 1**) to deliver **Target 457**. The newly completed facilities provide modern, energy-efficient childcare infrastructure built to nZEB standards, bringing the nationwide total to **91 completed nurseries** and **5,440 new childcare places**. The Government expects all 110 nurseries planned under the programme to be completed and handed over to local authorities by the end of August.

Context - There is 1 bill approving an ordinance in the Parliament that brings measures that could help to the full implementation of this Target, with high chances of becoming law.

INVESTMENT 4, T468 - EDUCATION INFRASTRUCTURE MODERNIZATION. The Municipality of Zalău completed a NRRP-funded project (**Component 15, Investment 4, Target 468**) worth approximately RON 27 million (€5 million) to modernize educational infrastructure across 25 schools and kindergartens and three sections of the School Sports Club. The investment equipped digital classrooms, IT and science laboratories, counselling offices, sports halls and vocational workshops with new furniture, teaching materials and digital equipment, improving learning conditions and supporting the digitalization of education.

INVESTMENT 4, T468 - SCHOOL COMPLETES PROJECT TO REDUCE DROPOUTS. A school in Plătărești (Călărași County) has completed an NRRP-funded project under the National Programme for Reducing School Dropout (PNRAS), contributing to **Target 468 (Component 15, Investment 4)**. Implemented between 2022 and 2026, the project provided remedial education, counselling, extracurricular activities, teacher training and IT infrastructure upgrades to support students at risk of dropping out. The initiative benefited 179 students, 10 teachers and support staff, and 70 parents, with total NRRP funding of RON 756,783.80.

Context – In Parliament there is a proposal that aims to contribute to the achievement of Target 468, with low chances of passing.

Reforms

OFFSHORE WIND PERMITTING DIGITALIZATION. The Ministry of Economy has launched for public consultation a **draft action plan** introducing a digital one-stop shop for offshore wind projects, aimed at streamlining permitting procedures, in line with the National Energy and Climate Plan (NECP) and the **REPowerEU chapter of Romania's PNRR (Component 16)**. The plan would replace fragmented administrative processes with a fully digital workflow covering concession, permitting, grid connection, operation and decommissioning, while allowing investors to submit documentation only once and track applications online.

REFORM 1, M508 - ADS CAPACITY FOR RENEWABLE ENERGY PROJECTS. The Government has approved **changes** to the State Domains Agency's (ADS) vehicle fleet by replacing four passenger cars with four utility vehicles to support field surveys and land inventories for renewable energy acceleration areas. The measure supports **NRRP Milestone 508 (Reform 1, Component 16 – REPowerEU)**, under which ADS must identify state-owned land suitable for renewable energy investments. The decision was already published in the Official Gazette.

REFORM 1, M509 - RENEWABLE ENERGY ACCELERATION ZONESS. President Dan has signed the **Law** which allows state-owned land managed by the State Domains Agency (ADS) to be used as renewable energy acceleration zones, supporting **NRRP Milestone 509 (Reform 1, Component 16 – REPowerEU)**. The law introduces a dedicated framework for concessioning eligible land through public auctions, establishes a national register of eligible state-owned land, applies accelerated permitting procedures with a maximum six-month approval period, creates a digital one-stop-shop for licensing through PCUEL, and simplifies environmental assessments for qualifying renewable energy projects. The law was already published in the Official Gazette.

Context – There is one more draft GEO, issued in May this year, that seeks to contribute to the implementation of Milestone 509, with low chances of being adopted.

Investments

No relevant updates.

General News

CONTRACT EXTENSION CLAUSES UPDATED FOR NRRP PROJECTS. The law approving GO No. 26/2024, following re-examination, was published in the Official Gazette, allowing **the extension of public procurement, sectoral and framework contracts financed under the NRRP where the underlying financing contract has been extended.** Contract extensions are permitted only if the circumstances arose after the bid submission deadline and could not reasonably have been foreseen when the procurement procedure was launched or bids were prepared. The new rules apply to both existing and future contracts but exclude contracts awarded solely based on delivery or execution time.

NRRP IMPLEMENTATION STAFF RECEIVE PERFORMANCE-BASED SALARY INCREASES. An order published in the Official Gazette grants **Directorate General for NRRP Implementation staff within the Ministry of Development (MDLPA) a monthly base salary increase of up to 40% until 31 August 2026**, subject to achieving performance objectives and submitting monthly activity reports. The measure is intended to support the delivery of the remaining NRRP milestones and targets due in Q2 2026, including projects under the Renovation Wave, Local Fund, Tourism and Culture, and Education components, by strengthening the monitoring of financing contracts, procurement procedures, transfer requests, and fraud and conflict-of-interest controls.

EXTENSION OF NRRP DEADLINES MDLPA. Moreover, MDLPA also published an order **extending the implementation deadline for NRRP projects** under **Components C5 (Renovation Wave), C10 (Local Fund) and C15 (Education)** from 31 July to 30 August 2026 for beneficiaries with existing financing contracts, decisions or orders. According to the Ministry, the extension aims to maximise the absorption of available NRRP funds, with the current absorption rate standing at 86% and the objective of approaching full utilisation of the allocated funding.

CNI DESIGNATED AS IMPLEMENTATION STRUCTURE FOR CRITICAL NRRP PROJECTS. The law approving GEO No. 42/2024 was published in the Official Gazette, formally **designating the National Investment Company (CNI) as the implementation body for major public infrastructure projects financed through the NRRP.** CNI will oversee museum investments under **Component 11**, including the National Museum of Jewish History and the Holocaust in Bucharest and the Silence Prison in Râmnicu Sărat; hospital infrastructure and outpatient projects under **Component 12**; the construction of three new court buildings under **Component 14**; and the delivery of the 110 nurseries under the "St. Mary" Government Programme financed through **Component 15**.

NRRP AUDIT RISK REFORM. In the same vein, the law approving GEO No. 3/2026 was published in the Official Gazette, introducing **a risk-based sampling approach for verifying public and private procurement procedures under the NRRP.** The new methodology aims to focus audits on higher-risk projects, streamline payment processing, and improve the efficiency of the NRRP management and control system.

EC Priorities. Priority 1: Prosperity & competitiveness

A Clean Industrial Deal

NEW EIB FINANCING FOR A1 MOTORWAY COFINANCING. The President signed the law 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. 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 law was also published in the Official Gazette and entered into force on July 24.

BAN ON PUBLIC INCENTIVES FOR FOSSIL FUEL BOILERS. The Constitutional Court rejected , as unfounded, the objection of unconstitutionality formulated by the President of Romania and found that the law approving the ordinance transposing Article 17(15) of Directive (EU) 2024/1275 is constitutional in relation to the criticisms formulated. The ordinance approved by this law **bans public financial incentives for new standalone fossil fuel boilers**, with **limited exceptions for maintenance, automation systems, and gas boilers connected to networks transporting renewable gases**. Next, the law is expected to be soon signed by the President and published in the Official Gazette.

SGR CONTRIBUTIONS FOR UNRETURNED PACKAGING. The law approving GEO No. 96/2023 on waste management efficiency measures was signed by the President and published in the Official Gazette. The act amends the Environmental Fund framework by introducing **contributions owed by economic operators for SGR packaging** for which the minimum annual return targets are not met. The contribution is set at RON 0.5 for each unreturned non-reusable metal packaging unit and RON 1 for each unreturned glass or plastic packaging unit. The law also confirms the **annual SGR return targets, namely 65% for 2024, 75% for glass and 80% for plastic and metal in 2025, and 85% for glass and 90% for plastic and metal from 2026**. The resulting amounts will be used to finance waste management infrastructure, while the act also allows Environmental Fund financing for the “Green Week” programme and updates the procedure for listing non-compliant landfills to be closed.

RED II TRANSPOSITION LAW ADVANCES IN RE-EXAMINATION. The law approving GEO No. 163/2022, which transposes Directive (EU) 2018/2001 on the **promotion of energy from renewable sources**, was published in the Official gazette. The law covers Romania’s 2030 renewable energy objective, support schemes, permitting procedures, guarantees of origin, prosumers, renewable energy communities, renewable energy in heating and cooling, renewable energy in transport and sustainability criteria for biofuels, bioliquids and biomass fuels.

EU TRANSPOSITION ON OUTDOOR EQUIPMENT NOISE RULES. The Ministry of Economy has published a draft Government decision **amending the national framework on noise emissions from equipment used outdoors.** The draft transposes changes to Directive 2000/14/EC introduced by Directives (EU) 2024/2749 and 2024/2839, covering emergency conformity assessment procedures and the removal of certain reporting obligations. The proposal introduces special procedures only for equipment designated at EU level as crisis-relevant goods during an activated internal market emergency regime. In such cases, notified bodies would prioritise conformity assessment, while certain equipment could be placed on the market under EU-extended national authorisations, without CE marking, but with crisis-relevant labelling in Romanian. The draft also removes the obligation to send copies of EC declarations of conformity to authorities and the European Commission and aligns national rules with Delegated Regulation (EU) 2024/1208 on noise measurement methods.

Business & Economy

No relevant updates.

Digital tech, research and innovation

RD ACTIVITIES WITHIN RESEARCH CENTERS. Following the President's request for re-examination, the Senate has resumed consideration of the legislative proposal **allowing research and development activities to be carried out through research centres established within institutions with responsibilities in the field of national security.** The proposal would recognise these centres as research organisations eligible to participate in certain national R&D funding programmes, with projects financed from state budget allocations or other legally established sources. The proposal was sent to the Committee for Education which is expected to issue a report soon.

CYBERSECURITY RESEARCH PROTECTED BY LAW. A new law published in the Official Gazette creates an **inter-institutional committee coordinated by the National Cybersecurity Directorate (DNSC) to strengthen cooperation among public authorities on cybersecurity.** The act also amends the Criminal Code to exempt good-faith cybersecurity research from criminal liability, provided researchers comply with strict conditions, including avoiding damage, preserving confidentiality and reporting identified vulnerabilities to the competent authorities within 48 hours.

PUBLIC DIGITAL INFRASTRUCTURE FRAMEWORK. A second new law establishes **Romania's first legal framework for managing public digital infrastructure** through the **National Public Digital Infrastructure Platform (PNIDP)**, a central registry of publicly funded digital assets. Public institutions must appoint a digital manager and register their digital assets within six months, while the platform introduces common security, interoperability and asset management rules, including mandatory use of unique identifiers, minimum cybersecurity standards and Government Cloud integration.

Health Union

No relevant updates.

Commercial agreements

No relevant updates.

Priority 2: Defence & Security

The European Defence Union

PARLIAMENT TO APPROVE SAFE LOAN AGREEMENT. The Chamber of Deputies, as the first chamber, adopted the **legislative proposal** approving **Romania's €16.68 billion SAFE loan agreement** with the European Union. The financing will support defence capabilities and strategic transport infrastructure, with funding released in instalments based on project milestones. The agreement also provides for a 15% pre-financing payment, a 45-year repayment period with a 10-year grace period, and funding availability until the end of 2030, while debt servicing costs will be covered from the state budget. The proposal will be debated next week, during Parliament's extraordinary session. The bill has reached the Senate for a final debate.

SAFE DEFENCE PROCUREMENT. Romania missed the 30 May deadline to sign the €816.6 million framework agreement for the procurement of NATO-standard infantry weapons and ammunition under the EU's SAFE instrument. However, according to Profit.ro, the Ministry of Internal Affairs announced that an **industrial cooperation agreement** has been concluded, ensuring that **over 65% of the production will take place in Romania** through ROMARM subsidiaries, with four weapon systems to be manufactured entirely domestically. According to the Head of the Prime Minister's Chancellery, the project will be carried out by a consortium consisting of **SIG Sauer's Romanian subsidiary, ROMARM (including the Cugir Arms Factory) and the Sadu Mechanical Plant**, as previously approved by the Supreme Council of National Defence (CSAT).

NEW BUDGET RECLASSIFICATION MECHANISM FOR SAFE. Instead, PNL MPs have submitted a **bill** to the Senate that would **allow previously contracted appropriations to be decommitted and recommitted solely for SAFE-funded projects**, improving the separate monitoring of investments and payments to contractors. The reclassified funds could not be used for new spending, transferred to other budget headings or reallocated to the Government Reserve Fund.

Borders and migration

DIGITAL PROCEDURES FOR FOREIGN WORKER RECRUITMENT. The Ministry of Internal Affairs published for public debate a draft decision which **requires employers and foreign worker placement agencies to use WorkinRomania.gov.ro for registration, authorisation, visa and residence procedures**. Documents unavailable in public registers **must be uploaded with a qualified electronic**

signature. Companies may delegate operational tasks but remain responsible for submitted data and must revoke expired mandates. **Job offers will be automatically checked against ANOFM records and the shortage occupation list.** The **platform will exchange data with relevant public authorities**, reducing paperwork. Companies must also implement data-protection procedures, train users annually and retain activity logs for five years. After the public consultation period, the Government is expected to adopt the decision.

Security & crisis management

E-ARC REORGANIZATION. The President of the **Euro-Atlantic Resilience Centre (E-ARC)** has adopted a **new order** reorganizing the institution and **expanding its role in strengthening Romania's resilience to economic, technological and infrastructure-related risks.** The new structure establishes dedicated units covering economic resilience, critical entities, transport, energy, communications and emerging technologies, while enhancing cooperation with the private sector, academia and international partners.

ROMANIA STRENGTHENS NATO DEFENCE COMMITMENTS. Romania will **allocate a combined 3.7% of its GDP to defence** and security this year and has joined the **NATO Drone Edge** initiative, which enables Allied countries to jointly procure drones. Announced by Nicușor Dan at the NATO Summit, these steps reflect Romania's commitment to strengthening its defence capabilities, supporting collective security, and enhancing regional stability, particularly in the Black Sea region and on NATO's Eastern Flank.

BLACK SEA SECURITY COOPERATION EXPANDED. Romania, Bulgaria, and Turkey have signed an amendment **expanding the mission of the MCM Black Sea task group to include the protection of critical underwater infrastructure in the Black Sea**, alongside its existing mine countermeasure operations. Romania will also contribute to the initiative through the deployment of the minehunter *Căpitan Constantin Dumitrescu* during upcoming multinational operations.

Priority 3: Social rights

Social fairness

No relevant updates.

Young people & equality

GOVERNMENT UPDATES EMPLOYMENT INCENTIVE RULES. The Government has adopted and published in the Official Gazette **updated mechanisms to support employment**. The decision establishes the procedures for a new **stability bonus** of **RON 1,000 per month** during the first year and **RON 1,250 per month** during the second year for young people in their first permanent job, expands wage subsidies to additional vulnerable groups. It also introduces proportional benefit calculations, allows online submission of applications, and clarifies the conditions for maintaining or suspending financial support.

Priority 4: Life quality

Agriculture & biodiversity

NATIONAL BIODIVERSITY STRATEGY, IN PARLIAMENT. Adopted by the Government last week, **Romania's National Biodiversity Conservation Strategy to 2030** has reached the Parliament as a **legislative proposal**, after PSD threatened the Government with a legal process for illegally adopting public policy documents. The strategy sets the country's policy framework for protecting, restoring and sustainably using biodiversity in line with EU objectives and the Kunming–Montreal Global Biodiversity Framework. The strategy is accompanied by an action plan and monitoring framework and includes measures to expand protected areas, restore ecosystems, integrate biodiversity into sectors such as agriculture, energy, transport and spatial planning, promote sustainable resource use, and strengthen funding and coordination mechanisms for biodiversity conservation.

NATURA 2000 NETWORK EXPANSION CONTINUES. The Government published in the Official Gazette a **decision** to designate **19 additional Sites of Community Importance as Special Areas of Conservation (SACs)**. This marks the third update to the Natura 2000 network and continues the phased designation of protected areas for which management plans and conservation measures have already been approved.

Climate change

RENEWABLE SELF-CONSUMPTION AID SCHEME. The Ministry of Energy has **amended the state aid scheme supporting investments in new renewable electricity generation capacities for self-consumption** by extending the deadline for projects financed through the Modernisation Fund to become operational until **31 December 2028**. The amendment is intended to facilitate the implementation of renewable energy projects while supporting the increase of renewable energy in Romania's energy mix and the reduction of greenhouse gas emissions.

RENEWABLE ENERGY AID SCHEME. The Ministry of Energy has also **amended the state aid scheme supporting investments in new renewable electricity generation capacities** financed through the Modernisation Fund, extending the deadline for projects to become operational until **31 December 2028**. The revised rules require beneficiaries to align their implementation schedules, funding applications and feasibility studies with the new deadline.

REDISTRIBUTION OF EU ETS REVENUES. The law approving GEO No. 55/2025 on the **management of revenues from the auctioning of EU ETS allowances** was published in the Official Gazette. The ordinance aligns the national framework with the EU rules applicable from 2025, including the unified auctioning framework for stationary installations and aviation.

Priority 5: Democratic Europe

Democracy

COALITION TALKS REMAIN BLOCKED. A new round of consultations between President Nicușor Dan and the leaders of PSD, PNL, USR and UDMR ended last week **without an agreement on forming a new government**. The President said the main obstacle is now the composition of the future cabinet rather than the choice of prime minister, reiterating that he will not nominate a candidate without a realistic parliamentary majority. While informal negotiations continue, parties have maintained their positions, with PSD insisting it will only support a government in which it participates, PNL and USR rejecting a coalition with PSD, and UDMR advocating a compromise solution. Meanwhile, AUR has proposed backing a PSD-led government, although PSD leaders remain divided over any potential cooperation, and early elections continue to be discussed as a fallback option if negotiations fail.

PROXY VOTING FOR MEPs. The Permanent Electoral Authority has published for public consultation a draft bill on **Romania's acceptance of Council Decision (EU, Euratom) 2026/1296**, which would **allow MEPs who are pregnant or have recently given birth to vote by proxy**. The mechanism would apply for up to three months before the expected birth and up to six months afterwards, becoming effective only after all EU Member States complete their national approval procedures.

POLITICAL ADVERTISING TRANSPARENCY. The Permanent Electoral Authority (AEP) has launched a **draft bill** establishing Romania's national framework for implementing **Regulation (EU) 2024/900 on the transparency and targeting of political advertising**. The proposal designates AEP, the National Audiovisual Council (CNA) and the National Supervisory Authority for Personal Data Processing (ANSPDCP) as the competent supervisory authorities, creates an interinstitutional coordination committee, and introduces a register for non-EU providers' legal representatives. Breaches could be sanctioned with fines ranging from **RON 5,000 to 6% of annual worldwide turnover, budget or revenue**.

ANCOM TO ENFORCE EU DATA ACT. The Government issued a new **draft bill** designating **ANCOM as the national authority responsible for enforcing the EU Data Act**. The proposal sets new obligations for manufacturers of connected products, cloud service providers, data holders, and other businesses handling connected-device data, including requirements on data access, portability, and contract transparency. It also grants ANCOM broad supervisory and enforcement powers, while introducing administrative fines and penalties for non-compliance, with sanctions ranging from fixed fines to a percentage of EU turnover for serious or repeated breaches.

CONSULTATIVE BODY ESTABLISHED FOR E-GOVERNMENT REFORM. A **decision** issued by interim Prime Minister Ilie Bolojan

establishes **a new consultative consortium to support the Committee for E-Government and Bureaucracy Reduction**, bringing together representatives from business and professional associations. The committee, which coordinates Romania's digitalization and administrative simplification efforts under the leadership of the Prime Minister, will now benefit from structured input from the private sector and civil society.

STRATEGIC DIALOGUE PLATFORM FOR BUSINESS CONSULTATION. An **order** published in the Official Gazette by the Ministry of Economy establishes a **Strategic Dialogue Platform for a Competitive and Resilient Economy**, creating a permanent framework for consultation with businesses, industry associations, trade unions, NGOs, chambers of commerce, clusters, and academia. The new mechanism introduces a formal application and selection process for participation in seven sectoral working groups, giving eligible organizations a structured role in shaping public policies.

Rule of law

JUVENILE JUSTICE MEASURES, INTO FORCE. President Nicușor Dan has promulgated a **law extending the duration of non-custodial educational measures that may be imposed on minors over the age of 14 who commit criminal offences**. The law increases the maximum duration of civic training, supervision, weekend restrictions and daily assistance measures, while leaving the existing rules on their individualisation, review, modification and extension unchanged. The law has already been published in the Official Gazette.

CHILD PROTECTION PENALTIES. Another **new law** published in the Official Gazette **strengthens criminal penalties for parents or caregivers who seriously endanger a minor's physical, psychological, intellectual or moral development** through any form of treatment or conduct. The law increases the prison sentence to 5-10 years, while offences committed by perpetrators under the influence of drugs or psychoactive substances will carry enhanced penalties of 7-12 years' imprisonment.

STRICTER PENALTIES FOR CHILD ENDANGERMENT. A third **law** published in the Official Gazette **increases prison sentences for parents or caregivers who seriously endanger a child's physical, psychological, intellectual, or moral development** through harmful actions or treatment. The law raises the penalty to 5-10 years in prison, with harsher sentences of 7-12 years if the offender was under the influence of drugs or psychoactive substances when committing the offence.

CRIMINAL PROCEDURE REFORM. The Constitutional Court upheld the High Court of Cassation and Justice's challenge to parts of an **AUR-signed law** amending the Criminal Procedure Code, sending it back to Parliament for reconsideration. The proposal aims to **streamline criminal proceedings, strengthen victims' rights and better protect vulnerable persons, particularly minors and victims of human trafficking**, in line with *EU Directives 2011/36/EU and 2012/29/EU*. The bill also provides for the immediate application of the new procedural rules to pending criminal cases once adopted in its

final form.

Civil society

No relevant updates.

Priority 6: Foreign affairs

Enlargement and wider neighbourhood

ROMANIA STRENGTHENS REGIONAL COOPERATION. President Nicușor Dan participated in the Ukraine–South-East Europe Summit in Kyiv, where **Romania reaffirmed its support for Ukraine’s sovereignty, territorial integrity and defence capacity, framing continued cooperation with Kyiv** as essential to Black Sea and regional security. Romania also **supported a just and lasting peace, sustained political, economic and security assistance for Ukraine, and closer cooperation in defence and strategic connectivity**. At the same time, Bucharest linked Ukraine’s resilience to the stability and European integration of the Republic of Moldova, highlighting the need for regional coordination on infrastructure, energy security and hybrid threats. Therefore, **Romania is positioning cooperation with Ukraine and Moldova** as a central component of its regional security and European integration strategy.

ROMANIA-EGYPT MILITARY COOPERATION. The President signed the law 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 law was also published in the Official Gazette and entered into force.

A new economic foreign policy

ROMANIA–INDIA ECONOMIC COOPERATION. During the Romania–India Business Forum, held as part of Indian President Droupadi Murmu's state visit, President Nicușor Dan announced **Romania's objective of doubling bilateral trade with India in the coming years**, supported by the future EU–India Free Trade Agreement. He highlighted opportunities for **cooperation in energy, technology, research, defence and innovation**, noting that over 600 Indian companies already operate in Romania, employing more than 10,000 people, while the Joint Economic Cooperation Commission is expected to meet again in New Delhi later this year.

Reforming the international system

No relevant updates.

MONTHLY REPORT ANNEX

From a total of **10 normative acts** adopted this month aiming at modifying or implementing reforms or investments within the NRRP, **3 Decisions** and **5 Orders** were adopted by the Government and its related ministries. **2 Laws** were adopted by the Parliament. 2 normative acts cover Component C3, 1 – Component 8, 1 – Component 10, 1 – Component 13, 2 – Component 14, 1 – Component 16, while 2 normative acts affect the entire NRRP.