

Monthly Report - NRRP and EC Priorities

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

WATER AND WASTEWATER INFRASTRUCTURE TARGETS COMPLETED. The Ministry of Environment announced the completion of new NRRP targets under Component C1. Under **Investment I1**, for agglomerations with more than 2,000 population equivalent, Romania completed and accepted 297 km of water distribution networks and 947 km of sewerage networks. Under **Investment I2**, targeting smaller agglomerations, 85 km of sewerage networks and 10,387 individual wastewater collection and treatment systems were completed. The Ministry stressed that local authorities must now ensure that households are effectively connected to the completed networks. Physical completion alone does not guarantee that the infrastructure will be used or deliver the expected environmental benefits

NRRP-FUNDED LEȘU DAM REHABILITATION COMPLETED. The Ministry of Environment announced the completion of rehabilitation works at Leșu Dam in Bihor County, an **NRRP-funded investment under Component C1**. The reservoir is now undergoing controlled refilling, which started in May 2026, after almost 12 years in which it did not operate under normal conditions. The investment, worth more than RON 113 million, aimed to increase operational safety and included structural works on the dam, sealing and drainage interventions, modernisation of hydromechanical equipment, access and intervention infrastructure, and digital monitoring and alarm systems.

C2. Forests and biodiversity protection

Reforms

REFORM 1, M24 - ROMSILVA SUBUNITIES METHODOLOGY UNDER FORESTRY GOVERNANCE REFORM. The Ministry of Environment published a draft order approving the methodology for establishing, organising and operating subunits within Romsilva structures without legal personality. The measure continues the administrative implementation of the Romsilva reorganisation approved by Government Decision No. 123/2026, which was linked to **NRRP Component C2, Reform 1, Milestone 24** on forest governance and the fight against illegal logging. The methodology sets criteria for grading forestry districts and sizing staff structures based on administered area, turnover, gross profit, operational complexity and activity results.

REFORM 2, M31 - BIODIVERSITY STRATEGY. Romania's National Biodiversity Conservation Strategy and Action Plan for 2026-2030, linked to **NRRP Component C2, Reform 2, Milestone 31**, was adopted by Parliament and is now awaiting promulgation. The legislative route followed the earlier dispute over the Government's adoption of the same strategy while acting in an interim capacity, after which the strategy was moved through Parliament as a legislative proposal. The final parliamentary form significantly tempers the legal effects of the strategy. It reduces the protected-area targets to 25% of national territory and 5% under strict protection, clarifies that the strategy and action plan cannot directly impose obligations, bans or restrictions, and provides that measures affecting property, land use or economic activities will require separate legislation, impact assessments and, where applicable, compensation. After adoption, AUR and SOS parliamentarians filed a constitutional challenge, but the Constitutional Court rejected the objection and confirmed the law as constitutional. The file can now proceed to promulgation by the President.

Investments

INVESTMENTS 1 & 2 – EXCEEDING NRRP TARGETS FOR REFORESTATION. MMAP has exceeded the targets assumed through the NRRP, Component 2 for afforestation, reforestation, urban forests and the development of capacities for the production of forest reproductive material, according to an official press release. At national level, 20,716 ha of afforested and reforested lands have final reports and have been verified by the Forest Guards, compared to the NRRP target of 18,000 ha (**Target 26, related to Investment 1**), its degree of achievement being over 115%. At the same time, 13 ha of urban forests were created, which means the full fulfillment of **Target 28 (Investment 1)** and 109 nurseries were completed, 19 more than the Target of 90 provided for in the NRRP (**Target 29, Investment 2**). The NRRP allocation for the national afforestation and reforestation campaign, including urban forests, was approximately EUR 307 million. Another EUR 50 million were allocated for the development of modern capacities for the production of forest reproductive material. The establishment of new forests, the reforestation of areas affected by disasters, urban forests and protective forest curtains

located around localities, between agricultural lands or along communication routes were financed. The largest forested areas were achieved in the counties of Dolj – 3,116.7 ha, Constanța – 2,275.2 ha, Galați – 1,547 ha and Botoșani – 1,420 ha.

INVESTMENT 3, M34 - NATIONAL CATALOGUE OF PRIORITY BIODIVERSITY AREAS. The Ministry of Environment published a draft order approving the National Catalogue of Priority Biodiversity Areas, linked to **NRRP Component C2, Investment I3.2, Milestone 34**. The catalogue operationalises the framework introduced by GEO No. 25/2026 and designates areas relevant for biodiversity conservation, including protected areas, Natura 2000 sites, virgin and quasi-virgin forests, Romsilva-accepted forest areas and a marine area. The draft designates 472 priority biodiversity areas, covering approximately 2.54% of Romania's terrestrial territory, and includes the Vama Veche-2 Mai marine area, covering around 0.16% of the Black Sea marine biogeographical region. The cartographic data and technical substantiation forms must be published by the environmental authority within 15 days of entry into force.

C3. Waste management

Reforms

No relevant updates.

Investments

INVESTMENT 1, T51 - DIGITALISED RECYCLING ISLANDS TARGET EXCEEDED. The Ministry of Environment announced that Romania completed 5,091 digitalised recycling islands, exceeding the target of 5,000 set under **NRRP Component 3, Investment I1.b, Target 51**. The investment has a total budget of EUR 72.75 million. Installed across 36 counties, the units support the separate collection of paper and cardboard, plastic and metal, glass, biodegradable waste and residual waste. Local authorities, intercommunity development associations and other associations of local authorities were eligible for financing.

INVESTMENT 1, T54 - RECYCLING FACILITIES COMPLETED. The Environmental Fund Administration announced that Romania has fulfilled **NRRP Component C3, Investment I1, Sub-investment I1.D, Target 54**, concerning the construction and commissioning of waste recycling facilities. The target required 26 recycling facilities to be built and operational by Q2 2026. The facilities cover several waste

streams, including construction and demolition waste, plastics, glass, textiles, non-ferrous materials and used tyres. AFM indicated that the target has been reached and exceeded, while the next stage will focus on verifying final transfer requests, completing reimbursements and monitoring the durability of the investments for at least five years for large companies and at least three years for SMEs.

C4. Sustainable transport

Reforms

No relevant updates.

Investments

NRRP-FUNDED ROAD PASSAGES OPENED IN ORADEA. Two new road passages on Calea Aradului, in the area of the Oradea ring road and Oradea Airport, were opened to traffic. The investments, worth approximately RON 75 million, were financed through the NRRP, under **Component C4**, Transport, together with the state budget and the local budget. The projects include an underground passage at the intersection between Calea Aradului and the Oradea ring road, with a total length of 406 metres, and an overground passage near Oradea Airport, with a total length of 535 metres. According to interim Prime Minister Ilie Bolojan, the works are part of a broader network of six passages developed at Oradea's main exits to reduce congestion and improve traffic flows in the metropolitan area.

C5. The Renovation Wave

Reforms

No relevant updates.

Investments

No relevant updates.

C6. Energy

Reforms

REFORM 1, M114 - ENERGY DECARBONISATION LAW ADOPTED DESPITE NRRP REVERSIBILITY CONCERNS. Parliament adopted the law amending GEO no. 108/2022, the legal framework used to fulfil **NRRP Component 6, Reform 1, Milestone 114**. The law maintains the general ban on new lignite, hard coal, anthracite and peat-based generation, but introduces derogations related to national security, emergency and crisis situations, mobilisation and strategic energy stocks. It also conditions the closure of existing coal capacities on the commercial commissioning of similar low-carbon capacities capable of replacing the withdrawn electricity and, where relevant, heat or steam production without affecting system adequacy or security of supply.

On 26 August, President Nicușor Dan referred the law to the Constitutional Court. The challenge argues that the undefined concept of “similar energy capacities”, the absence of verification criteria and inconsistencies concerning operators’ obligations and sanctions could allow coal closures to be postponed indefinitely. It also raises possible conflicts with Romania’s NRRP commitments and environmental obligations. Promulgation is suspended pending the Court’s decision, while the amendments continue to pose a reversibility risk for Milestone 114 and Romania’s outstanding payment requests.

REFORM 1, M116 - OFFSHORE WIND IMPLEMENTATION PACKAGE ADVANCES. The Ministry of Energy and ACROO published several draft acts implementing Law no. 121/2024 under **NRRP Component 6, Reform 1, Milestone 116**. A revised draft Government Decision limits the first concession round to three fixed-foundation perimeters covering approximately 948 km², with an estimated combined capacity of 3.1 GW, down from the 11.5 GW included in the initial version. Areas removed from the list may be approved through subsequent government decisions. Where wind perimeters overlap with existing petroleum agreements, the Ministry must obtain an opinion from ANRMPSG before launching the concession procedure.

A separate draft establishes the competitive concession process, including prequalification, technical and financial evaluation, royalties,

fees, guarantees and decommissioning obligations. Grid connection information provided to bidders will be indicative and will not reserve network capacity. After concession and exploration, developers will need an ACROO development approval before starting construction. Applications must include the environmental and sectoral approvals, grid connection permit, ANRE establishment authorisation and an independent technical assessment by an IECRE-recognised certification body. ACROO would issue the approval within 60 working days, and construction must begin within 12 months.

Another draft regulates the reception of completed offshore wind plants and related onshore works before trial operation. Developers must submit as-built documentation, the independent verification certificate, final assessment report, trial operation programme and emergency plan. Reception may be granted, granted subject to conditions or refused. Separately, the Government reviewed a memorandum on the possible creation of a national offshore wind research centre. The memorandum does not establish the centre or allocate funding, but identifies possible institutional, staffing and financing arrangements.

REFORM 4, M126 - RENEWABLE HYDROGEN QUOTAS LAW ADOPTED. Parliament has completed the adoption of the law amending Romania's renewable hydrogen framework, supporting **NRRP Component 6, Reform 4, Milestone 126**. The final text limits mandatory quotas to renewable hydrogen, postpones the obligations for road fuel suppliers and industrial consumers, and introduces common certification, traceability, reporting and enforcement rules. Road fuel suppliers must meet gradually increasing obligations from 2027, reaching a minimum 1% share of renewable fuels of non-biological origin from 2030. Industrial consumers must ensure that renewable hydrogen accounts for at least 42% of eligible hydrogen use from 2030 and 60% from 2035. The law also enables competitive support schemes for renewable hydrogen production, including two-way contracts for difference. The final text includes separate provisions supporting **Milestone 116**, under which price-support schemes for certain new electricity generation capacities should generally take the form of two-way contracts for difference, and **Milestone 128**, extending prosumer rules proportionately and without discrimination to consumers acting collectively. The law will now be sent to the President for promulgation.

REFORM 4, M126 - HYDROGEN CODE. ANRE published the draft Hydrogen Code, setting the general regulatory framework for activities across the hydrogen value chain. The measure supports **NRRP Component C6, Reform 4, Milestone 126**, within ANRE's regulatory remit, while other elements of the milestone, including safety, permitting and support mechanisms, remain dependent on other authorities. The draft clarifies the existing authorisation, licensing and endorsement regimes applicable to hydrogen production, design, operation, storage, transport, distribution, trading and use.

REFORM 4, M126 - HYDROGEN INFRASTRUCTURE RISK RULES PUBLISHED. Joint Order no. 938/944/2026 introduced technical rules for assessing hydrogen infrastructure risks during urban planning and construction permitting, supporting **NRRP Component 6, Reform 4, Milestone 126**. The rules apply to hydrogen refuelling stations and production and storage facilities, including extensions and capacity increases. They exclude hydrogen transport infrastructure, ANRE-licensed gas distribution networks carrying hydrogen, including through

blending, and sites covered by the Seveso regime. Compared with the draft, the final order reduces duplication and introduces a risk-based approach. Assessments completed during urban planning will not be repeated at the construction authorisation stage, while simplified qualitative methods may be used for low-risk installations. Existing Seveso documentation will be accepted where it covers the relevant scenarios. The order also protects previously authorised gas and electricity networks from retroactive operating or expansion restrictions, requires cumulative risk assessments for multi-fuel stations and introduces transitional rules for existing projects and installations. Until national criteria are adopted, recognised European or international standards and methodologies must be used.

REFORM 6, M128 - HEATING AND COOLING DECARBONISATION LAW ADOPTED AFTER REPLACEMENT PROCEDURE. Law No. 168/2026 on the decarbonisation of the heating and cooling sector was published after Parliament fast-tracked a replacement proposal for the earlier draft bill rejected by the Senate in June. The law implements **NRRP Component C6, Reform 6, Milestone 128**, which requires a framework for reducing the use of inefficient biomass and fossil fuels in heating and cooling. The law introduces sustainability, traceability and reporting obligations for operators using or placing forest biomass on the energy market. Installations of at least 7.5 MW using solid biomass, or at least 2 MW using gaseous biomass fuels, must use only certifiable forest biomass and submit annual sustainability reports verified by an independent third party. The law also introduces sanctions for the use of non-certifiable biomass, the supply of non-sustainable biomass and failure to submit the required sustainability report.

REFORM 6, M128 - HEATING REPLACEMENT SUPPORT METHODOLOGY PROPOSED. The ministries responsible for investments, energy, development and environment published a draft joint order setting the methodological framework for support programmes under Law No. 168/2026 on the decarbonisation of heating and cooling. The measure operationalises **NRRP Component C6, Reform 6, Milestone 128**, by defining the eligibility criteria, feasibility test and financing mechanism for replacing old or inefficient heating systems. The programmes will target heating units using forest biomass or solid fossil fuels that are more than 10 years old or have an efficiency below 65%, including systems used by households and social buildings owned by local authorities.

Investments

No relevant updates.

C7. Digital transformation

Reforms

No relevant updates.

Investments

INVESTMENT 2, T157 – MIGRATION OF PUBLIC INSTITUTIONS TO THE GOVERNMENT CLOUD. The Authority for the Digitalization of Romania announced that **the process of migrating IT systems to the Government Private Cloud is in full swing, but less than half of the priority institutions have completed this stage.** A first priority package in this regard includes 85 central public authorities and institutions whose critical systems need to be migrated. To date, over 40 institutions have completed the migration of applications, with the project's final deadline assumed in the NRRP being **August 31, 2026.** The migration of public institution applications to the Government Private Cloud is related to **the Target 157 – Investment 2 "Cloud development and cloud migration" – Component 7,** which requires the migration or development of at least 30 government digital service applications.

INVESTMENT 3.2, T158 – ANMDMR DIGITALIZATION. The National Agency for Medicines and Medical Devices of Romania (ANMDMR) has completed the "Digitalization of ANMDMR" project, funded through **Component 7 (Investment 3.2) of the NRRP to fulfill Target 158.** The initiative modernized the agency's IT infrastructure by installing structured cabling, creating a Disaster Recovery data center for operational continuity, and launching an integrated platform for electronic document management and archive digitalization. Supported primarily by non-reimbursable NRRP funds, the completed project enhances ANMDMR's operational efficiency, cybersecurity, and public services within the health sector.

INVESTMENT 3.2, T161 – INSP COMPLETES ITS DIGITALIZATION THROUGH NRRP. The National Institute of Public Health (INSP) has completed the project to digitize the institution's activity, worth a total of **RON 27.7 million**, of which almost **RON 23 million represent NRRP funds.** The project falls is part of **Component 7, Investment 3 - Implementation of the eHealth and telemedicine system, Specific Investment I3.2 - Digitalization of institutions with health responsibilities under the Ministry of Health and contributes to the achievement of Target 161.** The project modernized the IT infrastructure and communications and security networks of the INSP, developed **six national health registries**, as well as new software systems for laboratories, interoperability, and institution administration.

INVESTMENT 8, M174 – ELECTRONIC IDENTITY CARD FUNDING. The order initiated by MAI which establishes explicit rules for adjusting the eligible funding value of projects under the electronic identity card initiative, directly supporting **Milestone 174 (Investment**

8, Component 7) of the NRRP was published in the Official Gazette, having entered into force on August 21. Applicable to project beneficiaries and their corporate partners, the framework allows for budget reductions to capture savings from procurement or execution without impacting project targets, as well as budget increases upon beneficiary request and MAI-RI approval if extra funding is required and available. Realized through formal contract addenda, these adjustments update total project costs, VAT, and non-eligible expenses, providing essential financial flexibility to ensure project completion within the NRRP timeframe.

Moreover, the decision which allows for the continued free issuance of the first electronic identity card by utilizing remaining funds under **Component C7 (Investment 8) of the NRRP, following the completion of Milestone 173**, was published in the Official Gazette, having entered into force. By removing the restriction that tied free cards strictly to reaching the initial milestone target, citizens can continue to receive them at no cost until August 29, 2026, or until unspent project funds are exhausted. Requiring no additional state budget allocation, the measure expands digital identity adoption to foster a larger user base for electronic authentication across both public administration and private digital services.

C8. Tax reform and pension reform

Reforms

REFORM 1, M197 - ANAF AND CUSTOMS PERFORMANCE BONUS SCHEME. The Official Gazette published the Law no. 164/2026 which introduces 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 law will enter into force on January 1, 2027.

Investments

INVESTMENT 3, M227 – ACCESS PROCEDURE FOR THE PPP MONITORING PLATFORM. The Ministry of Finance published for

consultation a draft order which aims to achieve **Milestone 227 (Investment 3, Component 8 of the NRRP)**, by introducing **the enrollment, revocation and access procedure in the Ministry of Finance platform**. Public entities will **report data on PPP projects, concessions and energy performance contracts**, and partner institutions will verify documentation and issue opinions or opinions. Access is achieved exclusively through a **qualified digital certificate**, and UMIP completes enrollment within a maximum of 5 working days. Users must respect the rights associated with the role and immediately notify situations requiring the revocation of access. The order is expected to be published in the Official Gazette after the public consultation period.

INVESTMENT 11, M240 – BID INVESTMENT IN THE THREE SEAS INFRASTRUCTURE FUND. The Government adopted the decision which authorizes the **Investment and Development Bank**, in accordance with **Milestone 240, Investment 11 of Component 8 of the NRRP, 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. The decision was already published in the Official Gazette and entered into force.

INVESTMENT 11, M240 - BID CAPITALIZATION DEADLINE EXTENSION. The Official Gazette published the Law no. 171/2026 after it was adopted by the Chamber of Deputies and signed by the President this week. The law **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 law entered into force on August 8.

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

Reforms

REFORM 1, M246 – UNIQUE INDUSTRIAL LICENSE. The Government issued a new draft decision that mandates **the use of the Electronic Single Contact Point for Industrial Licensing (PCUEL)** to obtain and manage unique industrial licenses, **fulfilling Milestone 246, under Component 9 (Reform 1) of the NRRP**. Under the new rules, industrial companies must handle their authorization process completely online, using qualified digital signatures, tracking applications electronically, and adhering to strict deadlines for submitting documents or requested clarifications. The platform centralizes all communications, permits, and status updates for each business location, while establishing clear appeal processes and imposing fines for administrative abuse or improper platform usage. The act is now

to be adopted in a future Government meeting.

REFORM 2, M272 & REFORM 4, M276 – ANC REORGANIZATION. A decision that reorganizes the National Authority for Scientific Research (ANC) to fulfill **Milestones 272 (Reform 2) and 276 (Reform 4) under Component 9 of the NRRP**, while **indirectly advancing Target 277** to ensure at least 27% of publicly funded R&D projects include commercial enterprise partners was published in the Official Gazette, having entered into force on August 21. The framework establishes the OCDI as a permanent directorate replacing the temporary Policy Support Facility to oversee research reforms, operationalizes the dedicated "RoInovare" unit to stimulate R&D investment, and grants ANC direct access to the REGES-ONLINE database to streamline beneficiary and partner verifications.

Investments

INVESTMENT 2.4 – EIB FINANCIANG AGREEMENT AMENDMENT. The decision that approves **Addendum No. 1 to the EIB Financing Agreement under Component 9 (Sub-investment 2.4) of the NRRP** was published in the Official Gazette and is now in force. Under the revised plan, **MIPE's contribution to the NRRP Fund of Funds is reduced from €300 million to €100 million**, and direct lending is fully eliminated, shifting all business support exclusively to intermediated credit products managed through financial intermediaries. As part of this reconfiguration, the EIB will return €50 million in unallocated funds to MIPE within 10 business days of request, while the €98 million already committed to final beneficiaries remains in place, accompanied by updated and streamlined reporting obligations.

C10. The local fund

Reforms

REFORM 5, M315 – PUBLICATION OF CATUC. The **Spatial Planning, Urbanism, and Construction Code (CATUC)**, the law that unifies the sector's legal framework and directly fulfills **Milestone 315 (Reform 5, Component 10) of the NRRP**, was published in the Official Gazette and entered into force on August 25. The Code streamlines urban planning procedures by prioritizing PUG/PUZ land designations over land fund categories, enforcing strict 15-day deadlines for PUD approvals, and introducing mandatory 10-year civil liability insurance for developers and contractors. Additionally, it clarifies private infrastructure obligations, strictly bans green space reallocation, and

transfers all Bucharest sector urbanism powers to the General Mayor on November 1, 2028, without repeating administrative steps for pending files.

Furthermore, a ministerial order implementing the law by approving new standardized forms for urban planning certificates, building and demolition permits, modifications, regularizations, and notifications, **directly advancing Reform 5 associated with Milestone 315 under Component 10 of the NRRP** was published in the Official Gazette this week. Replacing outdated templates under previous legislation, the new forms are usable in both paper and digital formats, feature unique identifiers to automatically feed data into the National Construction Register, and apply to all applicants, including energy infrastructure developers.

Investments

No relevant updates.

C11. Tourism and culture

Reforms

No relevant updates.

Investments

INVESTMENT 1 – RESTORATION OF MEDIEVAL FORTRESS SIGHIȘOARA. The mayor of Sighișoara announced that **the consolidation and restoration works of the Medieval Citadel wall, including the portions that were completely collapsed and were financed through NRRP -Component C11, Investment I1 - Promotion of the 12 tourist/cultural routes, have been completed.** The project, worth approximately **RON 12.32 million (financed almost entirely by the NRRP)**, aims at specific interventions on three sections, ensuring the preservation of the historic site while reversing past damage caused by incompatible materials.

INVESTMENT 1, T335 – REHABILITATION OF ARUTELA ROMAN CAMP. The Arutela Roman Fort was rehabilitated and opened to the public through **NRRP funds, related to Component 11, Investment 1, Target 335**, becoming a key point on the Roman Forts Route and part of the UNESCO World Heritage Site ("Borders of the Roman Empire - Dacia"). The rehabilitation project was approved in 2025 and was based on in-depth studies to comply with the highest intervention standards.

C12. Health

Reforms

No relevant updates.

Investments

INVESTMENT 2 – PUBLIC HOSPITAL INFRASTRUCTURE. The Ministry of Health announced that public hospital projects funded through **Component 12 (Investment 2) of the NRRP** have entered their final execution, reception, and operationalization stages. While facilities such as the Craiova Military Hospital are already functional and sites in Bistrița-Năsăud, Cluj, Zerlendi, Sibiu, and Balotești are completing equipment installations or final receptions, an emergency local command unit has been established to resolve utility connection delays at the Târgu Mureș Cardiovascular Institute. With secondary phases of projects like the Constanța Mother and Child Center transitioning to the Health Operational Program (POS), the overarching priority is transforming these physical investments into fully operational medical capacities equipped with NZEB/NZEB+ beds and modern IT infrastructure prior to the final NRRP deadline.

In addition, the Ministry disbursed **223.3 million RON across 37 NRRP-financed projects to accelerate healthcare modernization, targeting hospital infrastructure, digitalization, nosocomial infection control, and primary community care.** Key disbursements fund major new public hospital investments, including the Constanța Mother and Child Hospital, Sibiu Military Hospital, and Balotești Hospital, alongside digital upgrades for ten public hospital units nationwide. The funding package also supports the procurement of equipment to combat healthcare-associated infections, modernizes neonatal intensive care units and outpatient facilities, upgrades family medicine practices and integrated community health centers, and advances the digitalization of the national pharmaceutical stock

reporting system to transform allocated NRRP resources into immediate clinical capacity.

INVESTMENT 2.3 - NEONATAL ICU MODERNIZATION. The Târgu Mureș County Emergency Clinical Hospital has completed the **modernization, expansion, and re-equipment of its Newborn Intensive Care Unit**, funded through **Component 12 (Investment 2.3) of the NRRP**. Designed to improve early diagnosis and overall treatment for critically ill neonates, the project expands the unit's capacity by five beds, upgrades five existing beds, and enhances screening capabilities with state-of-the-art medical equipment. Supported primarily by NRRP funding alongside regional resources, the initiative also establishes a regional training center dedicated to the continuous professional development of medical staff treating high-risk newborn patients.

C13. Social reforms

Reforms

REFORM 2, T383 – HOUSING AND TRANSITION SUPPORT FOR DEINSTITUTIONALIZED PERSONS. The Chamber of Deputies adopted the legislative proposal which introduces **housing and transition benefits directly** into Law No. 7/2023 **for adults with disabilities leaving institutions or at risk of institutionalisation**. The housing benefit **covers rent, utilities and other eligible expenses**, up to one gross minimum wage per month. The transition benefit **covers community relocation costs**, up to two gross minimum wages, and may be requested before or within 12 months after leaving residential care. DGASPC must assess applications, issue approval decisions and reimburse documented expenses within the statutory deadlines, while payments may be suspended or terminated if eligibility conditions are no longer met. The measure contributes to achieving **NRRP Target 383 under Reform 2, Component 13**. Next, the law is expected to be soon signed by the President.

REFORM 2, T383 - HOUSING AND TRANSITION SUPPORT FOR DEINSTITUTIONALIZED PERSONS. The Bucharest Court of Appeal suspended the Decision no. 569/2026 which was published last week in the Official Gazette. The decision was meant to regulate 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.

Investments

No relevant updates.

C14. Good governance

Reforms

REFORM 1, T407 – BETTER REGULATION COMMITTEE. The interim Prime Minister has established an Interministerial Monitoring Committee for the Better Regulation Strategy 2026–2034, thus supporting the achievement of **NRRP Target 407 (Component 14, Reform 1)**. The Committee, coordinated by the General Secretariat of the Government, is aimed at implementing and evaluating the Better Regulation Strategy. Civil society representatives may participate in meetings upon invitation.

REFORM 3, M418 – CIVIL SERVICE REFORM, INTO FORCE. The law amending the Administrative Code has been published in the Official Gazette. It introduces a unified competency, promotion and integrity framework for civil servants and contractual staff in public administration, thus completing NRRP **Milestone 418 (Component 14, Reform 3)**. The law introduces higher competency levels for civil servants, subject to competitive examinations, while capping levels 2–4 at 20% of approved positions and level 4 at 8%. Public institutions must update job descriptions and align positions with functional areas and specific competencies by 1 January 2027. Integrity, incompatibility and conflict-of-interest rules are extended to contractual staff, with breaches treated as disciplinary offences.

REFORM 4, M420 - POLITICAL TALKS FAIL, EUR 770 MILLION EXPECTED TO BE LOST. President Nicușor Dan announced that PSD, PNL, USR and UDMR failed to reach a political agreement on the Public Pay Law under **NRRP Component 14, Reform 4, Milestone 420**. The parties have therefore accepted the expected loss of EUR 770 million linked to the milestone and will not meet the 31 August deadline. Although the draft is reportedly close to completion at technical level, the allocation of the agreed public-sector wage envelope among professional categories remains unresolved. The parties committed to adopting the law by the end of 2026 while respecting the wage limits agreed with the European Commission.

REFORM 7, M431 - REVISED INTEGRITY LAW ADOPTED. Parliament has completed the review of the Integrity Law implementing **NRRP Milestone 431, Component 14, Reform 7**, following the Constitutional Court’s decision. The Senate adopted the revised law as the

decision-making chamber on 26 August, after the Chamber of Deputies approved some amendments earlier in the week. The revised text removes the disclosure requirements concerning life partners and keeps full asset and interest declarations confidential in the records of the National Integrity Agency for seven years. For certain categories of public officials, ANI will instead publish a financial interests sheet containing aggregated information, without reproducing the declarations in whole or in part. The law will now be sent to the President for promulgation.

Investments

No relevant updates.

C15. Education

Reforms

REFORM 1, M452 – TEACHING LOAD REDUCTION. Adopted by both chambers of the Parliament, the **law** amending the teaching load reduction regime for management, guidance and supervisory staff in pre-university education is now to be signed by the President of Romania. It limits teaching obligations to a maximum of 40% of the standard teaching load and prohibits hourly paid teaching or additional teaching-load arrangements for staff benefiting from the reduction. This proposal amends **NRRP Milestone 452 (Component 15, Reform 1)**, previously implemented through Education Laws 198/2023 and 199/2023.

In this regard, an order was published today in the Official Gazette to establish the new rules on **teaching-load reductions for management, guidance and control staff in state pre-university education**. Depending on the position and the size or structure of the educational institution, managers must generally perform between 6 and 14 teaching hours per week, while directors of very small schools may retain a full teaching load. The rules also **cover deputy directors, school inspectorate staff and teacher-training centres, allow partial teaching-load reductions for designated trade union representatives within a national ceiling of 90 teaching posts**, and generally prohibit management and control staff from undertaking additional hourly paid teaching, except in certain rural or isolated schools facing shortages of qualified teachers. The act also repeals the previous 2011 methodology.

CONTROVERSY AND DELAY OF NEW HIGH-SCHOOL ADMISSION RULES. Two legislative proposals entered parliamentary debate this week to postpone the application of the new high-school admission system, under which high schools may organize **an additional entrance exam, separate from and held after the National Evaluation, for up to 50% of their available places**. The first, initiated by PNL lawmakers such as Raluca Turcan together with PSD MP Alexandru-Mihai Ghigiu, would delay the new system until the generation entering fifth grade in 2026-2027, meaning application from 2030. The second, initiated by PSD MPs like Natalia-Elena Intotero, would apply the rules one year earlier, to the generation that entered fifth grade in 2025-2026, meaning from 2029. The latter was adopted by the Chamber of Deputies and reached the Senate for a final debate, with an inconsistent adopted form (both postponing and cancelling the exam), while the debate of the former was delayed until next week. Both proposals amend **Law no. 198/2023 on Pre-University Education**, which previously implemented **NRRP Milestone 452 (Reform 1 – Component 15)**.

Context - There are currently 60 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 – 112 NURSERIES BUILT. The Ministry of Development has continued the rollout of nurseries under the government’s “Saint Ana” programme, bringing the number of completed facilities to **112 nationally**, and thus surpassing **NRRP Target 457 (Component 15, Investment 1)**. New nZEB-certified nurseries have recently been inaugurated in Bucecea (Botoşani), Geoagiu (Hunedoara) Sibiu, Blaj (Alba), Olteniţa (Călăraşi), Reteag (Bistriţa-Năsăud), Căpleni (Satu Mare), Tismana (Gorj), Sighetu Marmăţiei (Maramureş), Bucharest and Argeş with capacities ranging from 40 to 110 children and equipped with modern educational facilities, solar and photovoltaic panels, and energy-efficient systems. According to the Minister of Development, the program for building nurseries will continue, funded through the state budget from now on.

C16. RepowerEU

Reforms

REFORM 1, M508 - SENATE APPROVES EXPANDED ANADSPA VEHICLE FLEET. The Senate adopted the proposal setting the vehicle fleet of the National Agency for the Administration of State Domains, Fisheries and Aquaculture at 115 vehicles, comprising 78 vehicles for specific activities, nine special-purpose vehicles and 28 utility vehicles. The bill has been sent to the Chamber of Deputies for the final vote. The proposal is linked to **NRRP Component 16: REPowerEU, Reform 1, Milestone 508**, which requires four off-road utility vehicles for teams surveying hard-to-access land intended for renewable energy acceleration areas. However, these four vehicles were already included in ANADSPA's fleet through Government Decision no. 545/2026. The new bill therefore goes beyond the immediate NRRP requirement and mainly adjusts the agency's broader transport capacity following its reorganisation and expanded responsibilities.

Investments

No relevant updates.

General News

PAYMENT REQUEST NO 5 SENT. Romania officially submitted its **fifth NRRP payment request**, valued at **EUR 2.84 billion** and comprising **75 targets and milestones**, on the evening of August 14, 2026. This submission, which brings the country's grant absorption rate to 78%, proceeded despite a critical internal review from earlier that same day indicating that several essential conditions were still unfulfilled. Various government branches faced significant bottlenecks, such as the Ministry of Environment lacking documents for protection areas, the Ministry of Energy needing to adopt the Hydrogen Code, and incomplete tasks at the Ministries of Economy, Agriculture, and Research. While 59 out of 69 preliminary cover notes were successfully uploaded to the European Commission's system, the remaining unresolved issues pose a substantial risk of delaying evaluations and affecting Romania's overall access to the requested European funds.

PIPERINE STRATEGIC RESERVE FUND AND NRRP PAYMENT REQUESTS. The Government adopted a Memorandum that approves the **"Piperine Strategic" reserve fund** to manage non-fulfillment risks for milestones and targets associated with **Payment Requests No. 5 and 6 under the NRRP**. Coordinated by MIPE and managed by MMAP and AFM, the reserve portfolio consists of mature water and waste management projects, including voluntary collection centers, digitized eco-islands, and manure platforms, that were originally contracted under the NRRP, continued through the Environment Fund, and are already fully completed and accepted. If active portfolio projects fail to deliver required indicators, these finalized investments can be officially reported toward NRRP targets, safeguarding overall progress and preventing financial penalties from the European Commission.

REVISED NRRP BUDGET ALLOCATION. The decision issued by MIPE to replace the previous framework by **reducing total NRRP funding to €20.107 billion** (€13.566 billion in grants and €6.540 billion in loans) and redistributing resources across all 16 components to align with the strict August 31, 2026 implementation deadline was published in the Official Gazette and have entered into force. Rather than isolated spending, the reallocation channels support into integrated sector reforms across **four primary pillars**: green transition and environmental resilience (water, forestry, waste, local development, and REPowerEU), infrastructure and energy efficiency (sustainable transport, building renovation, and clean energy), digital transformation and public administration (government cloud, eHealth, fiscal reform, and state-owned enterprise governance), and human capital and economic support (private sector R&D, social services, healthcare, tourism, and education). By reconfiguring available grants, loans, and business aid schemes across these clusters, the updated strategy ensures Romania remains on track to fulfill its **385 revised milestones and targets**.

NRRP OPERATIONAL AND FINANCIAL CLOSURE LAW. Initiated and adopted by Parliament in an extraordinary session this week, the law **establishing the operational and financial closure framework for the NRRP** ahead of the implementation deadline sets binding rules for managing authorities as well as public and private beneficiaries. Under the new provisions, **funded activities must conclude by August 31, 2026**, with final transfer requests submitted by **September 30** and payments finalized by **October 30, 2026**, while unfinished investments must be completed by December 31, 2026 using beneficiaries' own or alternative funding sources to avoid the proportional recovery of disbursed funds. The framework outlines the official classification of all reforms and investments, enables sectoral measures to offset potential European Commission decommitments, and facilitates the transfer of unfinished projects. Additionally, the law institutes strict post-closure monitoring and a mandatory five-year asset maintenance requirement, culminating in a comprehensive national closing report to be submitted to the Government by mid-2027. The act is now to be signed by the President of Romania.

NRRP ENERGY PAYMENTS EXCEED EUR 434 MILLION. As of 21 August, the Ministry of Energy had paid beneficiaries more than EUR 434 million since the start of the NRRP, including EUR 222 million in 2026. Between 17 and 21 August alone, payments reached EUR 12.84 million, while 13 transfer requests worth EUR 32.58 million were authorised. A further 35 requests totalling approximately EUR 62.84 million remained under review, including ten applications from 2025 worth EUR 21.12 million. The Ministry reported that all monitoring visits linked to pending transfer requests had been completed. Requests may also be authorised based on grid-energisation notifications, the stage at which the funded energy investments are treated as completed.

EC Priorities. Priority 1: Prosperity & competitiveness

A Clean Industrial Deal

RAIL INFRASTRUCTURE STRATEGY 2026-2030 ADOPTED. Government Decision no. 635/2026 approved Romania's Rail Infrastructure Development Strategy for 2026-2030, setting priorities for the maintenance, renewal and modernisation of the network managed by CFR SA. The strategy responds to an estimated RON 35 billion financing shortfall accumulated during 2021-2025 and identifies 9,753 km of track already due for renewal. Estimated financing needs for 2026-2030 total RON 132.21 billion, including RON 48.72 billion for maintenance, current repairs and renewal. Projects potentially eligible for EU funding are estimated at RON 54.59 billion and cover TEN-T corridor modernisation, electrification, connections to Constanța Port and major airports, and multimodal freight infrastructure. The strategy creates no immediate obligations for private companies, but provides for their involvement in freight terminals through private financing, public-private partnerships or cooperation with CFR SA. Concrete implementation commitments will be established through the activity and performance contract between the Ministry of Transport and CFR SA.

WASTE SHIPMENTS - MANDATORY DIGITAL REPORTING PROPOSED. A new draft Government Decision would require authorities and companies involved in waste shipments to use the Digital Waste Shipment System, DIWASS, aligning Romania's framework with Regulation (EU) 2024/1157. Notifications, approvals, transit information, transport documents and reporting would be exchanged and processed electronically. ANMAP would administer the national digital workflows and validate submitted information, while the National Environmental Guard would receive access to operational data for inspections and real-time controls. Recovery and disposal facilities would also have to submit electronically signed certificates confirming the completion and outcome of waste treatment operations. The measure will directly affect waste carriers, brokers, notifiers and treatment facilities involved in cross-border shipments.

DANGEROUS GOODS ROAD TRANSPORT CONTROLS UPDATED. Government Decision No. 614/2026 was adopted last week and published in the Official Gazette, updating Romania's control framework for the road transport of dangerous goods and transposing Delegated Directive (EU) 2025/1801 after the 24 June 2026 transposition deadline. The decision aligns national rules with successive ADR updates and revises the classification of infringements, control criteria and inspection documents used by authorities. The decision reorganises ADR infringements into three risk categories and allows inspectors to adjust the classification depending on the specific circumstances.

ELECTRICITY CRISIS FRAMEWORK ADOPTED AMID SYSTEM PRESSURE. The Government adopted two decisions formalising Romania's electricity crisis framework in the context of recent pressure on the national power system, driven by heatwave conditions, severe

hydrological drought, low Danube flows, reduced hydro output and risks affecting nuclear generation at Cernavodă. Government Decision No. 582/2026 approved the electricity risk preparedness plan under Regulation (EU) 2019/941, while Government Decision No. 603/2026 authorised Transelectrica to apply temporary safety measures on the electricity market until 31 August 2026. The framework establishes the institutional and operational sequence for preventing and managing electricity crisis situations, including regional cooperation, emergency assistance, increased reserves, activation of units in technical reserve, reduction or cancellation of export interconnection capacity and notified export exchanges, and, as a last-resort measure, phased electricity consumption limitation. Transelectrica will decide the timing and necessity of the measures, with information to the Ministry of Energy and ANRE.

Business & Economy

DIASPORA START-UPS GET INVESTMENT GRANTS. The Government adopted the 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 EUR 200,000. 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 EUR 5,000 and 500,000, 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. The decision was also published in the Official Gazette and entered into force.

Digital tech, research and innovation

INTEGRATING NATIONAL SECURITY RESEARCH. The law that explicitly establishes that **research and development activities can be conducted within dedicated research hubs located inside national security institutions, granting them regulated access to specific national funding programs** was published in the Official Gazette after its review process. These hubs operate as research organizations working on projects approved by the leadership of their respective security institutions, funded by the state budget or other legal sources. Previously, these units lacked a clearly defined status within the national research and development system, which created uncertainty regarding their funding, the recognition of their scientific achievements, and their ability to participate in both national and European programs. The act entered into force on August 17.

Health Union

No relevant updates.

Commercial agreements

No relevant updates.

Priority 2: Defence & Security

The European Defence Union

SAFE LOAN AGREEMENT APPROVED. The law approving Romania's SAFE loan agreement with the European Union, giving Romania access to a EUR 16.68 billion allocation for defence, defence-related infrastructure and strategic transport projects, was published in the Official gazette. The loan includes around EUR 12.48 billion for defence and associated infrastructure and around EUR 4.2 billion for strategic road infrastructure. Romania may receive a 15% pre-financing payment, approximately EUR 2.5 billion, after the agreement enters into force, while the first payment request may be submitted in October 2026.

SAFE BUDGETARY REALLOCATION RULES. The law allowing main credit holders to decommit and recommit 2026 funds under the dedicated SAFE budget was published in the Official Gazette. The adopted form keeps the SAFE reclassification mechanism, without allowing the funds to be used for new expenditure or transferred to other budget lines. The Chamber also broadened the bill by adding rules allowing certain state-owned companies with overdue payments at the end of 2025 to fill vacant posts and create new positions, as well as a provision enabling the redistribution of funds from the Ministry of Finance budget for the capital increase of the Investment and Development Bank, under the NRRP.

SAFE-RELATED DRONE PRODUCTION EXPECTED TO INCREASE FROM 2027. Interim Economy Minister Irineu Darău stated that Romania's domestic drone and interceptor production capacities are expected to grow faster from 2027, including through projects covered by the SAFE instrument. The statement comes in the context of Romania's planned defence investments and the broader effort to strengthen domestic industrial capacity. According to the minister, some private companies are already innovating in the defence sector and working with foreign partners, while potential partnerships with Ukraine could accelerate production if agreed. Darău indicated that Romania may continue to rely on existing technologies purchased from other states in the short term, but expects domestic production capacity for drones and interceptors to increase significantly within the 2027 horizon.

Borders and migration

SEASONAL ACTIVITIES ELIGIBLE FOR THE EMPLOYMENT OF FOREIGN WORKERS. The Government adopted the decision which establishes the list of seasonal activities and transposes Article 2(2) of Directive 2014/36/EU on foreign seasonal workers. It covers 19

CAEN classes in agriculture and 14 classes in accommodation, food services and tourism-related leisure activities. The classification applies exclusively to procedures for employing foreign nationals as seasonal workers. Activities are aligned with CAEN Rev. 3, while Government Decision No. 187/2017 is repealed without a transitional period. The decision was also published in the Official Gazette and entered into force.

DIGITAL PROCEDURES FOR FOREIGN WORKER RECRUITMENT. The Government adopted the 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. The decision was also published in the Official Gazette and entered into force.

Security & crisis management

No relevant updates.

Priority 3: Social rights

Social fairness

WAGE GUARANTEE FUND EXPANSION FOR STRATEGIC OPERATORS. The draft law that approves GEO 6/2026 to strengthen wage protections for employees of strategically vital economic operators across energy, transport, defense, communications, and food security was debated in the plenary session of the Chamber of Deputies yesterday, but failed to gather the required number of votes for adoption and will be rescheduled for debate in a subsequent session. It raises the Guarantee Fund ceiling up to 12 gross average salaries (or 6 under preventive concordat), extending the eligible claim window to 12 consecutive months, and covering compensatory payments. Under amendments admitted by the committees, wage claims are to be paid net directly to employees while territorial agencies remit employee-side taxes and social contributions (excluding employer labor contributions).

Young people & equality

YOUTH ADVISORY COUNCIL LAUNCHED. Environment Ministry, the Youth Platform for Sustainability and UNICEF Romania have launched the selection of **20 members aged 14–35** for a **new Youth Advisory Council on Climate and Environment (CCT-CM)**. The Council will provide recommendations on climate change, biodiversity, pollution, waste management, environmental education and public participation, with members selected to ensure diverse regional and social representation. **Applications are open until 31 August 2026**, with the 20 members to be announced on 12 September and the first meeting planned for 14–18 September.

EMPLOYMENT INCENTIVES: IMPLEMENTING DECISION SUSPENDED. The Bucharest Court of Appeal, following a request by PSD, **suspended the Government Decision introducing new employment incentives**, including a stability bonus for young workers and extended wage subsidies for employers. PSD argues that the caretaker government lacked the constitutional authority to adopt the measures after ministers' mandates expired. The decision, which supports the implementation of NRRP employment measures, also introduced stricter eligibility criteria, application deadlines and compliance requirements for employers accessing subsidies, as well as expanded support for hiring vulnerable groups.

Priority 4: Life quality

Agriculture & biodiversity

BEAR INTERVENTIONS. Following the Constitutional Court's rejection of his constitutional challenge, the President requested the re-examination of the law amending GEO No. 81/2021 on immediate interventions against brown bear attacks. The President raised concerns about compatibility with the Habitats Directive, the use of fixed quotas, the need for case-by-case derogation assessments and the relationship with the existing environmental derogation procedure. During re-examination, however, the Senate adopted the law without amendments after the responsible committees recommended maintaining the original text and rejected the proposed changes. The 2026 prevention quota of 859 bears and intervention quota of 110 bears therefore remain unchanged. The law has been sent to the Chamber of Deputies for the final decision.

AGRICULTURAL DIESEL - DIRECT REDUCED EXCISE DUTY PROPOSED. AUR MPs have proposed replacing the current reimbursement mechanism for agricultural diesel with the direct application of the reduced excise duty at delivery. Eligible farmers registered with APIA would purchase diesel at the minimum rate of EUR 21 per 1,000 litres, within annually calculated quantity limits. APIA would operate an electronic register recording each farmer's allocation, purchases and remaining balance. Authorised fuel suppliers would have to verify eligibility before delivery, register each transaction and supply fiscally marked and coloured diesel. The system would exchange data with ANAF and the Romanian Customs Authority. If adopted, the measure would take effect on 1 January of the year following publication, with implementing rules due within 90 days. As an opposition-sponsored proposal with fiscal and administrative implications, its prospects of adoption remain uncertain.

AGRICULTURAL DIESEL EXCISE AID BUDGET INCREASED. Government Decision No. 572/2026 increases the 2026 budget of the state aid scheme for reducing the excise duty on diesel used in agriculture from RON 620 million to RON 714.3 million. The additional RON 94.3 million will be covered from the Ministry of Agriculture's budget. The increase is intended to allow APIA to fully reimburse eligible diesel consumption for the first quarter of 2026, estimated at approximately RON 155.3 million. The scheme covers mechanised works in the crop, livestock and land improvement sectors, with an estimated 9,866 beneficiaries for January-March 2026.

Climate change

COMPLEXUL ENERGETIC OLTENIA - AUR PROPOSES EXTENDED STATE SUPPORT. AUR MPs have introduced a draft bill allowing the Ministry of Energy to grant Complexul Energetic Oltenia in 2026 the remaining funds previously authorised for purchasing EU ETS allowances for 2021-2025. The proposal would also postpone the state's EUR 180 million capital contribution until the first half of 2027 and extend access to state-guaranteed loans until 31 December 2029. The initiative comes while the European Commission is conducting an in-depth investigation into Romania's amended restructuring plan, which seeks additional state aid and an extension of the restructuring period until 2029. Adoption appears unlikely because the bill has significant budgetary and state-aid implications, and cannot resolve the pending compatibility assessment at EU level.

AIR POLLUTION CONTROL PROGRAMME UPDATED. The Government updated the National Air Pollution Control Programme, completing the implementation of Directive (EU) 2016/2284. The update follows exceedances of Romania's NOx and PM2.5 commitments and adds measures focused mainly on transport, logistics, industrial emissions and residential heating. The programme promotes freight transfer from road to rail, charging infrastructure, fleet electrification, smart logistics and cleaner heating technologies. It is relevant for transport operators, energy companies, industrial installations and other emitters, with compliance progress to be monitored annually between 2025 and 2029. The decision was also published in the Official Gazette.

Priority 5: Democratic Europe

Democracy

POLITICAL PARTIES LAW OVERHAUL. The Permanent Electoral Authority published for public consultation a draft bill that aims to fully **replace Law No. 14/2003 and transfers the registration and record-keeping of political parties/ and alliances from the Bucharest Tribunal to the Permanent Electoral Authority.** It raises the **minimum number of founders from three to 100**, introduces mandatory governance, integrity and online transparency requirements, and strengthens asset-management rules. Existing parties and alliances would have six months to comply, while breaches may trigger fines of RON 20,000–80,000 or dissolution for inactivity. The law would apply three months after publication, but no earlier than January 1, 2027.

SEPTEMBER, THE KEY MOMENTUM FOR A NEW GOVERNMENT. With the PNRR deadline on 31 August and Parliament resuming its ordinary session in September, most signals now point to **government talks picking up again in early autumn.** Presidential adviser Radu Burnete said that **forming a government should become a priority once the PNRR milestones are closed**, while UDMR's Cseke Attila called for a **broad political agreement to ensure a full-power government** and keep the far right out of government.

Subsequently, Interim PM Ilie Bolojan claimed that PNL could support a technocratic cabinet if it has a **parliamentary majority and continues fiscal consolidation**, while USR has argued **for a compromise arrangement between the pro-European parties.** BNR Governor Mugur Isărescu also urged politicians to return to negotiations and tone down their public statements, warning that political rhetoric can have economic consequences.

ELECTORAL PARTICIPATION OF EU CITIZENS. The Permanent Electoral Authority (AEP) has proposed **amendments** to the legislation on **European Parliament and local elections** to transpose **EU Directives 2025/1788 and 2026/1194**, simplifying electoral participation for EU citizens residing in Romania. The proposal introduces online registration for special electoral lists, with applications submitted through an AEP form up to 60 days before elections. AEP would be required to provide electoral information in Romanian and at least one widely used EU official language, in accessible formats, and report participation data to the European Commission within six months of elections. The online procedure is to be developed and operationalized within 45 days.

UDMR SIGNALS OPENNESS TO A PSD-LED COALITION. Government formation talks have increasingly centred on a PSD–UDMR formula after UDMR indicated that "all options remain on the table", despite recently aligning with PNL and USR in Parliament. According to political sources, **negotiations are expected to intensify after 15 August**, with parties aiming to install a **fully empowered government in early**

September. PSD is seeking to secure a narrow parliamentary majority of around 240 MPs, while discussions continue over whether the cabinet would be led by PSD leader Sorin Grindeanu or an independent prime minister with a strong economic profile. PSD says it is negotiating **support from smaller parliamentary groups and individual MPs** to secure a governing majority, while **publicly ruling out a formal partnership with AUR** despite recent overlapping parliamentary votes. UDMR leaders argue that ending the prolonged political deadlock now takes priority.

AUR LAUNCHES IMPEACHMENT CAMPAIGN AGAINST PRESIDENT DAN. AUR has launched an **online platform – suspeND.ro – tracking its initiative to suspend President Nicușor Dan**, accusing him of prolonging the political crisis by delaying the nomination of a prime minister and excluding the party from government consultations. The party is also publishing the positions of individual MPs and collecting public endorsements for the campaign. Under the Constitution, suspension can only be initiated by at least one-third of MPs, approved by a parliamentary majority after consultation with the Constitutional Court, and must then be confirmed by a national referendum.

Rule of law

No relevant updates.

Civil society

OPEN GOVERNMENT NATIONAL COMMITTEE TO BE ESTABLISHED. The General Secretariat of the Government has launched the process to establish the National Open Government Committee and select representatives from civil society. The Committee will bring together public institutions and NGOs to support the development, implementation and monitoring of open government policies, focusing on administrative transparency, access to information, public participation and Romania's OGP commitments. Civil society representatives will be selected across 19 sectors, including digitalisation, justice, finance, health, education, energy, transport, agriculture and cybersecurity. Applications opened on 18 August, with evaluation scheduled for 1–7 September, provisional results on 8 September and the final list due on 15 September 2026. Existing OGP civil society partners may apply under the same conditions as other candidates, without preferential treatment.

Priority 6: Foreign affairs

Enlargement and wider neighbourhood

ROMANIA–MOLDOVA STRATEGIC ROAD AND LOGISTICS INFRASTRUCTURE AGREEMENT. The Ministry of Transport has published a draft Government Decision which approves a new **Romania–Republic of Moldova Agreement** for the Târgu Neamț–Iași–Ungheni–Berești strategic infrastructure corridor. The agreement extends **cooperation to the motorway, border crossing point, Prut bridge, approximately 5.2 km of motorway in Moldova** and the Berești logistics complex. **Romania will finance the infrastructure on its territory and several components in Moldova**, including through the SAFE mechanism, while the Romanian implementing entity will manage procurement and contracts. Project staff, equipment and materials will benefit from accelerated border procedures and tax exemptions, while border controls will be coordinated through a separate bilateral agreement. The agreement will apply provisionally from signature, remain in force indefinitely and replace the 2022 agreement covering only the Ungheni road bridge. The draft decision is expected to be soon adopted by the Government.

A new economic foreign policy

No relevant updates.

Reforming the international system

No relevant updates.

MONTHLY REPORT ANNEX

From a total of **17 normative acts** adopted this month aimed at modifying or implementing reforms or investments within the NRRP, **5 Government Decisions and 4 ministerial orders** were adopted by the Government and its related ministries. **8 laws** were adopted by the Parliament. The measures cover **Components C6, C7, C8, C9, C10, C13, C14 and C15**, as well as **general NRRP implementation measures**.