

July 30 - August 6, 2026

Weekly 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

National Recovery and Resilience Plan

C1. Water management

Reforms

No relevant updates.

Investments

No relevant updates.

C2. Forests and biodiversity protection

Reforms

REFORM 2, M31 - BIODIVERSITY STRATEGY MOVES THROUGH PARLIAMENT AFTER GOVERNMENT DISPUTE. Romania's National Biodiversity Conservation Strategy and Action Plan for 2026-2030, linked to **NRRP Component C2, Reform 2, Milestone 31**, has returned to the Senate after the Chamber of Deputies adopted the legislative proposal with substantial amendments. The legislative route follows the earlier dispute over the Government's adoption of the same strategy while acting in an interim capacity. The Chamber's amendments significantly temper the legal effects of the strategy. The adopted form 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. The Senate committees have issued an admission report without further amendments, and the final vote is

scheduled for today. As a result, the legislative procedure is likely to be completed this week, with the Senate expected to approve the strategy in the form adopted by the Chamber of Deputies.

Investments

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

No relevant updates.

C4. Sustainable transport

Reforms

No relevant updates.

Investments

No relevant updates.

C5. The Renovation Wave

Reforms

No relavant updates.

Investments

No relevant updates.

C6. Energy

Reforms

REFORM 1, M114 - ENERGY DECARBONISATION LAW ADOPTED DESPITE NRRP REVERSIBILITY CONCERNS. The Chamber of Deputies adopted the legislative proposal amending GEO No. 108/2022 on the decarbonisation of the energy sector, after the Senate had introduced substantial amendments to the text. The ordinance **was adopted under NRRP Component C6, Reform 1, Milestone 114**, which was assessed as fulfilled by the European Commission in 2022. The adopted text keeps the general ban on commissioning new electricity generation capacities based on lignite, hard coal, anthracite or peat, but introduces a broad set of derogations linked to national security, mobilisation, states of emergency, crisis management and strategic energy stocks. It also conditions the decommissioning of existing lignite and hard coal capacities on the commissioning of replacement low-carbon capacities able to take over the withdrawn electrical and, where relevant, thermal functions without affecting system adequacy or security of supply. The amendments were maintained by the Chamber of Deputies with no substantial changes, following the return of the bill from the Senate under the bicameral procedure. Although the proposal does not refer explicitly to the NRRP, it modifies the legal framework used to close Milestone 114, creating a risk of reversibility in the Commission's assessment of Romania's remaining payment requests. The next step is the promulgation procedure, during which the President may request re-examination.

REFORM 1, M116 - OFFSHORE WIND WORKFORCE TRAINING PLAN APPROVED. The Ministry of Energy and the Ministry of Labour approved the action plan for training the local workforce needed for offshore wind projects in the Black Sea. The measure supports the implementation of the offshore wind framework under **NRRP Component C6, Reform 1, Milestone 116**. The plan targets developers, suppliers, port operators, maritime companies, education providers and local SMEs, with at least 500 people to obtain GWO certification by 2030. It does not introduce direct obligations for companies, but creates a framework for dual education, reskilling, internships, co-financing and training partnerships linked to the future offshore wind supply chain.

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.

Compared with the earlier legislative version, the adopted law reflects a political compromise. The replacement of inefficient heating systems remains voluntary and is extended until 2040, with cumulative targets of at least 50,000 units by 2030, 100,000 by 2035 and 250,000 by 2040. The deadline for individual heat metering or heat-cost allocators in condominiums connected to district heating is

postponed until 31 December 2030, while the proposed framework for unitary heating and cooling zones was removed.

The legislative procedure is now completed, but implementation will depend on secondary legislation and funding. By 31 August 2026, four ministries must approve the joint methodology for the heating replacement programmes, including eligibility rules, financing conditions and support mechanisms.

Investments

No relevant updates.

C7. Digital transformation

Reforms

No relevant updates.

Investments

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.

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 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 will enter 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.

Investments

No relevant updates.

C10. The local fund

Reforms

REFORM 5, M315 – ADOPTION OF THE URBAN PLANNING CODE. The Senate (decisional chamber) amended and adopted the **Urban Planning, Territorial Planning and Construction Code (CATUC)**, which implements **NRRP Milestone 315 (Component 10, Reform 5)**. It was signed by the President and will be soon published in the Official Gazette. The act introduces a unified legal framework for urban planning and construction, 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.

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.

C12. Health

Reforms

No relevant updates.

Investments

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.

Furthermore, the Ministry of Health announced that, in the last week of the month alone, **RON 77.9 million** were approved for **41 investments** from the NRRP, within **Components C7 and C12**. The projects aim to digitize public health departments and some hospitals, develop integrated community centers, modernize family medicine offices, invest in reducing nosocomial infections, expand the neonatal intensive care unit at the "MS Curie" Hospital, as well as modernize the medical infrastructure at hospitals in Sibiu, Bucharest and Craiova.

C13. Social reforms

Reforms

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.

REFORM 2, T383 - HOUSING AND TRANSITION SUPPORT FOR DEINSTITUTIONALIZED PERSONS. The Senate registered this week a 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 **PNRR Target 383 under Reform 2, Component 13**. The proposal was already adopted by the Senate and is expected to be soon sent to the Chamber of Deputies for the final debate.

Investments

No relevant updates.

C14. Good governance

Reforms

REFORM 3, M418 – CIVIL SERVICE REFORM. MPs have adopted the **law** amending the Administrative Code, completing **NRRP Milestone 418 (Component 14, Reform 3)**, which merged the previous Milestones 418 and 419 on merit-based human resources management and competency frameworks in public administration. The law introduces a unified competency-based promotion system for civil servants, extends integrity, incompatibility and conflict-of-interest rules to contractual staff, expands the role of the National Agency of Civil Servants (ANFP) in managing contractual personnel, and requires public institutions to align job descriptions with functional competencies by **1 January 2027**. It also sets implementation deadlines for the new recruitment framework and the development of ANFP's digital platform. The law will soon be signed by the President.

REFORM 4, M420 – CONSULTATIONS ON THE NEW UNIFIED PAY LAW. Negotiations on the **new unified public sector pay law** are ongoing, with the **government seeking agreements with healthcare and education unions** before finalizing the draft. The government states that no salaries will be reduced and that around two-thirds of public administration employees will receive pay increases. Adoption of the law remains uncertain despite its importance for achieving **NRRP Milestone 420 (Component 14, Reform 4)**, worth €770 million. The SANITAS federation has suspended its planned general strike to allow further negotiations but warned it may resume industrial action if no agreement is reached. Even so, USR leader Dominic Fritz stated that there is a possibility that the salary law will not be adopted. Fritz stated that Romania could lose the funding related to this milestone, but **"the fate of the country does not depend on the salary law"**, even if the adoption of such a reform remains important.

REFORM 7, M431 – INTEGRITY LAW, ADOPTED. Parliament has also adopted the **new Integrity Law**, required for the implementation of **NRRP Milestone 431 (Component 14, Reform 7)**, in the second try. The law expands integrity and asset declaration obligations to managers of state-controlled companies, their subsidiaries, social partners, Romanian MEPs and Romania's members of the European Commission. It introduces mandatory electronic submission of declarations through the e-DAI platform, strengthens conflict-of-interest checks in public procurement through the PREVENT system, and provides stricter sanctions. However, the law remains politically controversial after PSD, with support from AUR, added an amendment applying incompatibility and conflict-of-interest sanctions

retroactively, despite opposition from USR and PNL, which argued that PSD unfairly targets USR leader Dominic Fritz. Now the law shall soon reach the President for promulgation.

Investments

No relevant updates.

C15. Education

Reforms

No relevant updates.

Investments

INVESTMENT 1, T457 – NURSERY CONSTRUCTION PROGRAMME. The Minister of Development, Cseke Attila, inaugurated three new nurseries under the government’s “**Saint Ana**” programme, financed through the **NRRP (Component 15, Investment 1)**. The new facilities in **Praid**, **Braşov**, and **Babadag** bring the total number of completed nurseries nationwide to 95 out of the 110 planned under **Target 457**. The energy-efficient, nZEB-standard buildings provide 150 new childcare places, contributing to a total of 5,590 places created so far under the programme.

C16. REPowerEU

Reforms

No relevant updates.

Investments

No relevant updates.

General News

MMAP CONTRACT EXTENSION INSTRUCTION. The Ministry of Environment has issued an **instruction extending the implementation period until August 20, 2026, for NRRP financing contracts across Components 1, 2, 3, and 7 where the institution serves as reform or investment coordinator.** Under the new directive, beneficiaries can request an extension, though MMAP reserves the right to grant a shorter deadline or modify and revoke approvals based on individual project progress. The measure applies directly to ongoing contracts managed by the ministry, providing crucial flexibility to ensure the successful delivery of environmental and digital NRRP investments.

UPDATED NRRP PAYMENTS UNDER THE MINISTRY OF ENERGY. The Ministry of Energy presented the updated status of payments under NRRP-funded projects as of 31 July 2026. Payments made in 2026 exceeded EUR 179 million, while cumulative payments to beneficiaries from the start of the programme reached approximately EUR 392 million. Between 27 and 31 July, payments worth EUR 21.94 million were authorised for nine transfer requests and one technical assistance invoice. The Ministry reported that 59 transfer requests, worth approximately EUR 106.09 million, are still being processed. It also stated that all monitoring visits for projects with transfer requests have been completed and that authorisation is now also carried out based on notifications for energisation, where NRRP investments are considered completed. According to the Ministry, the targets related to new energy production and storage capacities connected to the grid, as well as industrial energy efficiency, have been met and exceeded.

NRRP PAYMENT REQUEST 5 STILL DEPENDS ON FINAL DOCUMENTATION AND PENDING MILESTONES. A MIPE note included on the Government meeting agenda indicates that the new CID is expected to be approved on 7 August 2026, with Romania's fifth NRRP payment request to be submitted on the same day. The request includes 75 milestones and targets, following the third renegotiation of the NRRP. The note shows that several cover notes and supporting documents were still pending as of 5 August, including for biodiversity, voluntary collection centres, forest monitoring, renewable hydrogen, ADS equipment, state-owned land registration and research and innovation measures. It also instructs all reform and investment coordinators to respect the irreversibility principle, ensuring that new normative acts

do not affect measures already assessed as fulfilled by the European Commission in previous payment requests.

EC Priorities. Priority 1: Prosperity & competitiveness

A Clean Industrial Deal

No relevant updates.

Business & Economy

No relevant updates.

Commercial agreements

No relevant updates.

Digital tech, research and innovation

RD ACTIVITIES WITHIN RESEARCH CENTERS. Following the President's request for re-examination, the law **allowing research and development activities to be carried out through research centres established within institutions with responsibilities in the field of national security** was adopted by the Parliament and is now to be signed by the President. The act will 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.

Health Union

No relevant updates.

Priority 2: Defence & Security

The European Defence Union

SAFE LOAN AGREEMENT APPROVED. Parliament adopted 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. 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. Next, the law will be published in the Official Gazette.

SAFE BUDGETARY REALLOCATION RULES. The Chamber of Deputies adopted amendments to the draft bill allowing main credit holders to decommit and recommit 2026 funds under the dedicated SAFE budget. 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. Next, the law will be signed by the President of Romania.

Borders and migration

No relevant updates.

Security & crisis management

No relevant updates.

Priority 3: Social rights

Social fairness

No relevant updates.

Young people & equality

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

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

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. Next, the decision will be published in the Official Gazette.

Priority 5: Democratic Europe

Democracy

PSD EYES A NEW GOVERNMENT BY LATE AUGUST. PSD leader **Sorin Grindeanu promised Romania a new government** with full powers in place **by the end of August**, built around PSD, even **without PNL or USR**. While ruling out any agreement for now, Grindeanu confirmed he is **open to talks with all parliamentary parties, including AUR**. Under the current parliamentary arithmetic, however, a PSD-led cabinet without PNL and USR would almost certainly need AUR's support to win a confidence vote. This positions **AUR as the pivotal actor** in the next round of government negotiations, whether through formal participation or political concessions in exchange for its votes.

Rule of law

No relevant updates.

Civil society

No relevant updates.

Priority 6: Foreign affairs

Enlargement and wider neighbourhood

ROMANIA–MOLDOVA STRATEGIC ROAD AND LOGISTICS INFRASTRUCTURE AGREEMENT. The Ministry of Transport has published last week a draft Government Decision which approves a new **Romania–Republic of Moldova Agreement** for the Târgu Neamţ–Iaşi–Ungheni–Bereşti 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 Bereşti 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 foreign economic policy

No relevant updates.

Reforming the international system

No relevant updates.