



# RRF 2<sup>nd</sup> Payment request – Romania

Draft Commission Implementing Decisions

*EFC meeting – 01/09/2023*

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# Timeline of Romania's RRP implementation

## RRP design and adoption

- RRP submitted on 31 May 2021
- Approved by COM on 27 September 2021
- Adopted by Council on 29 October 2021
- Entered into force on 3 November 2021

## RRP Implementation Setup

- Financing agreement signed on 12 November 2021 and Loan Agreement signed on 15 December 2021
- Operational arrangement countersigned on 25 May 2022 and published on 13 June 2022

## Second Payment Request

- Submitted on 16 December 2022
- Agreement to extend the assessment period by one month (16 December 2022 - 15 January 2023) and assessment suspended for three months (18 January - 19 April 2023)
- Positive preliminary assessment adopted by COM on 27 June 2023

## Overview of the payment request

	Milestones	Targets	Total
Non-repayable support	28	1	29
Loan support	21	1	22
<b>Total</b>	49	2	51

- The second payment request concerns 51 milestones and targets out of 507 milestones and targets in Romania's plan.
- The second instalment amounts to €2.8 billion (€1.9 billion in grants and €0.9 billion in loans) net of pre-financing.
- **Key reforms** concern green and digital transition, coordination of public policy delivery, improving water management, promoting tourism and culture, management of healthcare human resources, improving tax administration and the sustainability of the pensions system, modernizing the infrastructure in education, ensuring the independence of the judiciary and stepping-up the fight against corruption, improving road safety and investments to financially support the private sector.
- **The investment targets** concern the sites included in the cultural routes and the educational establishments. These targets required sampling.

# Assessment of the payment request

- I. **Positive preliminary assessment** for the 49 out of 51 milestones and targets:
  - Shared with the EFC and the European Parliament
  - Followed by the EFC opinion and adoption by comitology, including on the amount to be paid out
  
- II. **Letter to RO on payment suspension** outlining the reasons for the Commission finding that 2 milestones are not satisfactorily fulfilled, the application of the suspension methodology and the resulting amount:
  - Shared at the request of RO with the EFC and the European Parliament
  - Starts a bilateral process between Commission and RO
  - If the findings are retained, followed by a Commission suspension decision

# Two parallel processes: positive assessment and suspension

## Planned calendar for positive assessment

EPC discussion	7 July (done)
EFC discussion	1 September
Comitology meeting	18 September (TBC)
Commission Implementing Decision	second half September

## Planned calendar for suspension

- RO had **one month** to submit observations to COM on its preliminary assessment that 2 milestones are not satisfactorily fulfilled (*done*)
- Subject to RO's observations, the Commission would adopt a specific **suspension decision**
- The suspension would be lifted if RO completes these milestones within 6 months

## How do the milestones under the 2nd payment request relate to future milestones/targets?

**47 out of the 51 milestones represent initial steps** of reforms or investments and have one or more milestones or targets in the future

**One milestone [M145] is the last step** and completes the reform C7.R1 for the development of a unitary framework for defining the architecture of a government cloud system

**The remaining three milestones are the only milestones of the reform:**

**[M 355]** Entry into force of the legislative framework establishing the National Agency for Infrastructure Development in Health (ANDIS)

**[M 398]** Entry into force of the amendment of Law No 219/2015 on the social economy and the implementing rules

**[M 485]** Entry into force of amendments to the legislative framework to increase the quality of learning environments

# Thank you

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