



NATIONAL REFORM PROGRAMME 2023

BUCHAREST
MAY 2023

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ABBREVIATION INDEX

ACOP	<i>Administrative Capacity Operational Programme 2014-2020</i>
ADR	Authority for the Digitalisation of Romania
AFER	Romanian Railway Authority
AFM	Environment Fund Administration
AM	Management Authority
ANAF	National Agency for Fiscal Administration
ANANP	National Agency for Natural Protected Areas
ANAP	National Agency for Public Procurement
ANAR	“Romanian Waters” National Administration
ANC	National Authority for Qualifications
ANCOM	National Authority for Management and Regulation in Communications
ANCP	National Agency for Cadastre and Land Registration
ANFP	National Agency of Civil Servants
ANI	National Integrity Agency
ANM	National Meteorological Administration
ANOFM	National Agency for Employment
ANPDCA	National Authority for Protection of Child Rights and Adoption
ANPPD	National Authority for Protection of Rights of Disabled Persons
ANPM	National Environment Protection Agency
ANRE	National Energy Regulatory Authority
ANRSC	National Regulatory Authority for Community Services of Public Utilities
ARACIP	Romanian Agency for Quality Assurance in Pre-University Education
ARF	Railway Reform Authority
ASF	Financial Supervisory Authority
AVR	Romanian Customs Authority
BNR	National Bank of Romania
CAP Plan	Common Agricultural Policy Plan 2023-2027
CC	Competition Council
CEF	Connecting Europe Facility
CF	Cohesion Fund
CFR	National Railway Company “CFR” S.A.
CLLD	Community-led Local Development
CNAIR	National Company for Road Infrastructure Administration S.A.
CNAS	National Health Insurance House
CNDIPT	National Centre for the Development of Vocational and Technical Education
CNIR	National Road Investment Company S.A.
CNSC	National Council for Solving Complaints
COP	<i>Competitiveness Operational Programme 2014-2020</i>
CSM	Superior Council of Magistracy
CSRs	Country Specific Recommendations
DDD	Department of Sustainable Development
DGASPC	General Directorate of Social Assistance and Child Protection
DGEP	General Directorate for Persons’ Record
DMOs	Destination Management Organizations
DNCS	National Cyber Security Directorate
DSU	Department for Emergency Situations
EC	European Commission
EDP	Excessive Deficit Procedure
EEA	European Economic Area
EEP	<i>Education and Employment Programme 2021-2027</i>
ERA	European Research Area
ERTMS	European Rail Traffic Management System
ESA	European System of Accounts
ETS	Emissions Trading System
EU	European Union
FEAD	Fund for European Aid to the Most Deprived

FMAOP	<i>Fisheries and Maritime Affairs Operational Programme 2014-2020</i>
EAFRD	European Agricultural Fund for Rural Development
EIB	European Investment Bank
ERDF	European Regional Development Fund
ESIF	European Structural and Investment Funds
ESF	European Social Fund
ETN	Electric Transportation Network
GD	Government Decision
GDP	Gross Domestic Product
GEO	Government Emergency Ordinance
GHG	Greenhouse gas
GNM	National Environmental Guard
GO	Government Ordinance
GTMP	General Transport Master Plan of Romania
HCOP	<i>Human Capital Operational Programme 2014-2020</i>
HP	<i>Health Programme 2021-2027</i>
IGSU	General Inspectorate for Emergency Situations
INA	National Institute of Administration
INCSMPS	National Institute for Scientific Research in the field of Labour and Social Protection
INS	National Institute of Statistics
ISC	State Inspectorate of Constructions
ITI	Integrated Territorial Investment
ITS	Intelligent Transport Systems
ICCJ	High Court of Cassation and Justice
JTP	<i>Just Transition Programme 2021-2027</i>
LEA	Air power lines
LIOP	<i>Large Infrastructure Operational Programme 2014-2020</i>
MADR	Ministry of Agriculture and Rural Development
MAI	Ministry of Internal Affairs
MAPN	Ministry of National Defence
MC	Ministry of Culture
MCID	Ministry of Research, Innovation and Digitalisation
MDLPA	Ministry of Development, Public Works and Administration
MEc	Ministry of Economy
MEd	Ministry of Education
MEn	Ministry of Energy
Metrorex	Bucharest Metro Transport Company "Metrorex" S.A.
MF	Ministry of Finance
MFF	Multiannual Financial Framework
MFTES	Ministry of Family, Youth and Equal Opportunities
MIPE	Ministry of Investments and European Projects
MJ	Ministry of Justice
MMAP	Ministry of Environment, Water and Forests
MMSS	Ministry of Labour and Social Solidarity
MS	Ministry of Health
MTI	Ministry of Transport and Infrastructure
NECP	National Energy and Climate Plan
NFIs	Non-Banking Financial Institutions
NQF	National Qualifications Framework
NPLD	<i>National Programme for Local Development</i>
NPRDI	<i>National Plan for Research, Development and Innovation</i>
NRDP	<i>National Rural Development Programme 2014-2020</i>
NRP	<i>National Reform Programme</i>
NRRP	<i>National Recovery and Resilience Plan</i>
NSDS	<i>National Sustainable Development Strategy of Romania 2030</i>
NTS	National Transport System
nZEB	Nearly Zero-Energy Building
OECD	Organization for Economic Cooperation and Development
OER	Open educational resources

OJ	Official Journal of Romania
ONAC	National Office for Centralized Procurement
ONRC	National Trade Register Office
ONU	United Nations Organization
OS	Occupational standards
OSIM	State Office for Inventions and Trademarks
OP	Operational Programme
PA	Priority Axis
PASSA	Project Advisory Support Service Agreement
PEs	Public Enterprises
PES	Public Employment Service
PO	President's Order (President of Agency, Institute etc.)
POAD	<i>Aid to the Most Deprived Operational Programme 2014-2020</i>
PCIs	Projects of Common Interest
PISA	Programme for International Student Assessment
PICCCJ	Prosecutor's Office attached to the High Court of Cassation and Justice
PNRAS	<i>National Programme for Reducing School Dropout</i>
p.p.	Percentage points
RES	Renewable Energy Sources
RDI	Research, Development and Innovation
RMUR	Single Matriculation Register of Romanian Universities
ROP	Regional Operational Programme 2014-2020
RP	Regional Programmes 2021-2027
RRF	Recovery and Resilience Facility
RSI	Reference Social Index
SDG	Sustainable Development Goals
SDP	<i>Sustainable Development Programme 2021-2027</i>
SEAP	Electronic System for Public Procurement
SGDFIP	<i>Smart Growth, Digitization and Financial Instruments Programme 2021-2027</i>
SGG	Secretariat-General of the Government
SICAP	Environmental Information System for performing collaborative development of public procurement
SIDP	<i>Social Inclusion and Dignity Programme 2021-2027</i>
SIIR	Integrated Information System of Education in Romania
SIPOCA	Information System of <i>Administrative Capacity</i> Operational Programme
SMEs	Small and Medium Enterprises
SMG	Natural gas metering station
SO	Specific Objective
SPV	Virtual Private Space
SUMPs	Sustainable Urban Mobility Plans
TAD	Territorial and Administrative Division
TAOP	<i>Technical Assistance</i> Operational Programme 2014-2020
TAROM	Romanian National Air Transport Company S.A.
TEN-T	Trans-European Networks - Transport
TIMSS	<i>Trends in International Mathematics and Science Study</i>
TP	<i>Transport Programme 2021-2027</i>
TSI	Technical Support Instrument
TVET	Technical Vocational Education and Training
VAT	Value Added Tax
UEFISCDI	Executive Unit for Financing Higher Education, Research, Development and Innovation
UIB	Unemployment Insurance Budget
UNBR	National Association of Romanian Bars
UNICEF	The United Nations Children's Fund
WB	World Bank

1. INTRODUCTION

The National Reform Programme (NRP) continues to represent the framework platform for the formulation of measures to respond to the challenges identified within the European Semester. EU Member States submit their NRPs pursuant to *Regulation (EU) No 1175/2011 amending Council Regulation No 1466/97 on the strengthening of the surveillance of budgetary positions and the surveillance and coordination of economic policies*¹.

The Annual Sustainable Growth Survey 2023 (ASGS 2023), the EU document that launched the 2023 European Semester, presents the approach of the EC to maintain, also this year, the four priorities identified in 2019, namely: *environmental sustainability, productivity, fairness and macroeconomic stability*. Thus, to the major aspects already pursued such as the twin transition - green and digital, but also the EU objectives in the social field (according to the European Pillar of Social Rights) new challenges mentioned in ASGS 2023 are added such as energy prices, high inflation rates, supply deficits, increasing level of debts, but also the costs of borrowing that affect the activity of businesses and erode the purchasing power of households. In this respect, ASGS 2023 emphasizes the need for rapid actions to boost growth and create quality jobs and to achieve the green and digital transition.

ASGS 2023 also presents an economic policy agenda aimed at mitigating the negative impact of short-term energy shocks and continuing efforts to support sustainable and inclusive growth and enhance medium-term resilience while maintaining flexibility to face new challenges. In addition, 2023 NRP includes also sustainable development oriented reforms and investments. .

The European Semester and the Recovery and Resilience Facility (RRF) still provide the solid framework for the effective coordination of economic and social policies, given the current challenges. The intrinsic link between the European Semester and the RRF derives, on the one hand, from the fact that, in order to access the funds, EU Member States have started the implementation of the National Recovery and Resilience Plans (NRRPs) containing reforms and investments supporting the implementation of the 2019 and 2020 Country Specific Recommendations (CSRs), as well as the green and digital transition; on the other hand, art. 27 of *Regulation (EU) 2021/241 establishing the RRF* provides for biannual reporting obligations to be fulfilled by Member States regarding the application of the NRRP, NRP being one of the reporting tools used to that end. As such, the 2023 NRP contains, as annexes, two reporting tables presenting the state of play of those measures that meet the CSRs formulated between 2019-2022 (CeSaR electronic database), respectively through which the progress in the application of the NRRP is followed (FENIX electronic database).

Thus, in order to ensure the complementarity and consistency between the two documents, the 2023 NRP includes both measures to meet the CSRs, but also to respond to other challenges highlighted in the European Semester, which arise mainly from the EC's Country Reports.

Therefore, the 2023 NRP has the contents below:

- **Chapter 1** - Introduction;
- **Chapter 2** - Macroeconomic context;
- **Chapter 3** - Key reform priorities in response to CSRs and economic and social challenges;
- **Chapter 4** - Progress towards UN's Sustainable Development Goals;
- **Chapter 5** - Institutional issues and stakeholder involvement;
- **Annex I** - Reporting extracted from the EC's electronic database CeSaR on the implementation of the Country Specific Recommendations 2019-2022;
- **Annex II** - Reporting extracted from the EC's electronic database FENIX on the

¹ Art. 2-a, para. (2), point (d)

implementation of the NRRP;

- **Annex III** - Reporting on the implementation of the European Pillar of Social Rights.

The information contained in the chapters and sub-chapters on reform priorities should be reviewed in conjunction with the information contained in the reporting tables extracted from the EC's electronic databases i.e. CeSaR and FENIX.

Considering the above context, the 2023 NRP proposes complementary and additional interventions to those enclosed in NRRP and provides an overview of the measures implemented or expected to be adopted in the short and medium term by Romania in the areas analysed within the European Semester (fiscal and budgetary policy, green transition, digital transformation, business environment and economic competitiveness, labour market, social inclusion and combating poverty, health, administrative capacity, education and skills).

MIPE continued in 2022 the consolidation of the optimal general framework for the implementation of the NRRP by: developing and approving the legislative implementation framework; signing, as the national coordinator of the NRRP, the financing agreements with the 20 coordinators of reforms and investments (CRI); the signing of the Operational Agreement between Romania and the EC; the development and implementation of the IT management system of NRRP (E_SMC); the initiation of the call launch platform <https://proiecte.pnrr.gov.ro/>; the methodological coordination of the responsible coordinators of reforms and/or investments; the development of the communication procedure and of the visual identity manual of the NRRP, as well as the development of orientation guides in support of potential beneficiaries.

At the same time, the governance of the NRRP implementation was ensured at the central level by two committees²: the *NRRP Interministerial Coordination Committee* (CIC-PNRR), responsible for examining the progress made in NRRP implementation, respectively the *NRRP Monitoring Committee* (CM PNRR), an inter-institutional body, playing a consultative role, for information and debate, lacking legal personality, led by a president, and represented by the minister of investments and European projects. With a view to permanently monitor the satisfactory fulfilment of the targets and to eliminate bottlenecks in implementation, 12 meetings of the CIC-PNRR (including 8 preparatory meetings) as well as 4 meetings of the CM PNRR, were held.

In addition, between March 2022 and April 2023, there were held three NRRP monitoring missions, carried out by the EC, as well as three audit missions for the first three payment requests (the system audit and the audit on how to fulfil the milestones and targets both at the level of the national coordinator and at the level of the authorities responsible for implementing NRRP, for which milestones and targets are included in the payment requests).

By the end of 2022, 56 calls for projects with a value of 14.45 billion euro were launched. The call calendar is constantly updated and is available on the MIPE website.

From the total budget allocation of 29.18 billion euro, until March 2023 Romania received a total of 6.35 billion euro, of which: pre-financing of 13% of the financial contribution and 13% of the loan (3.79 billion euro) and reimbursement of the amount related to the first payment request as a result of the satisfactory fulfilment of 21 targets and milestones having as deadline 2021, in the amount of 2.56 billion euro without the pre-financing of 13% (the grant component approx. 1.77 billion and the loan component 0.78 billion).

In December 2022, Romania submitted the second payment request, with a value of 2.8 billion euro (from which the 13% pre-financing was deducted) - 1.86 billion euro being non-repayable financial support and 0.93 billion euro - support as loan. The granting of the financing related to the payment request is conditional on the fulfilment of 51 targets and milestones

² Constituted according to art. 7¹ of GEO no 155/2020 on some measures for the development of the National Recovery and Resilience Plan necessary for Romania to access repayable and non-repayable external funds under the Recovery and Resilience Facility

having the deadline for completion in the first part of 2022.

At the same time, in the context of the current geopolitical crisis, as well as a result of the negative adjustment of non-repayable financial support in the amount of 2.11 billion euro, Romania is also focusing its efforts towards the following:

- **Eliminating or reducing investments** from non-repayable financial support in accordance with the EC guidelines and following a specific methodology;
- **Adjusting the quantitative indicators** related to the targets affected by the increase in prices and the disruptions of supply chains;
- **The development of the new REPowerEU chapter**, which aims to strengthen the resilience of the national energy system with a positive impact in supporting the acceleration of Europe's transition to clean energy - in accordance with the provisions of Regulation (EU) 2023/435, the indicative financial allocation for Romania amounting to 1.39 billion euro.

2. MACROECONOMIC CONTEX

In 2022, world economy had to cope both with the problems triggered by the pandemic crisis and with those generated by the outbreak of the Russian-Ukrainian conflict in February. Russia's invasion of Ukraine has amplified the disruptive phenomena that have been manifesting since 2021. Accelerated price growth has led to high levels of inflation. Moreover, industry supply chain related problems and the energy crisis have intensified from the beginning of the war. In Romania, the situation with regard to pandemic crisis has improved, with a decreasing number of confirmed cases and subsequent waves were no longer aggressive. Therefore, the reopening of economy by lifting the alert state system in early March has allowed a business as usual behaviour and has boosted consumption and market services.

In this context, the Romanian economy managed to cope with the shocks, recording in 2022 a 4.7% increase of the GDP, according to INS provisional data.

On the supply side, the economy's advance was based on services and construction sectors, while industry and agriculture moderated the economic growth in 2022.

Against the background of resuming all activities and of considerable performances in sectors with increased added value, the **services sector** registered a 7.7% increase, materialized in a 4.5 p.p. contribution to GDP dynamics, which represented over 90% of the economic growth. In this sector, *information and communications* was the most dynamic branch of the economy, with a significant growth (+20%) thus carrying on with the positive trend of the previous year. The contribution of this branch to GDP growth was 1.3 p.p. Moreover, the *support, professional and administrative services* witnessed a significant increase of 13.1%.

In the **construction sector**, 2022 results were above expectations, with the gross added value (GAV) increasing by 11.2%, as a consequence of the spectacular developments in the second half of the year and despite the high material prices and labour force shortage related problems. The contribution to real GDP growth was 0.7 p.p.

The **industry sector** has continued to face increased difficulties linked to supply and increased prices of energy products. As a result, the GAV in industry decreased by 2.3% in 2022, decreasing GDP growth by 0.5 p.p.

The **agricultural sector** was impacted on one hand by adverse climatic conditions (mainly in the grass crops) and on the other hand by price increases (fuel, fertilizers, etc.), leading to a contraction of the agricultural sector by 11.6% and to a decrease in economic growth by 0.5 p.p.

By **elements of use**, economic growth was mainly due to domestic demand (5.2% growth). **Private consumption**, with its robust dynamics (+5.5%), was the main driver of economic advance with a contribution of 3.4 p.p. The domestic economic situation (with increases of energy and goods prices), which required supporting measures for the vulnerable population, as well as the external crisis triggered by the conflict (granting support to Ukrainian refugees) determined the **government consumption** to increase by 4.3%, contributing with 0.8 p.p. to economic growth.

The outstanding results of the construction sector in the second half of the year were adequately reflected in the dynamics of **gross investments** (+8.0% compared to 2021), which contributed with 1.9 p.p. to economic growth. This advance beyond expectations was driven by both European and public funds allocated in particular to infrastructure works. The effect was a **significant improvement of investment rate (about 25%), which ensures the basics for the transition from a consumption-based economy to an investment-based one.**

On the external side, meeting high investment demand required additional imports of goods and services, which advanced by 9.9% in 2022, while exports of goods and services recorded a slightly lower growth (9.6%). The effect of the two components resulted in a negative contribution of **net export** to GDP growth of 0.7 p.p.

The labour market was sustained by setting support measures for employees and employers, improving flexibility at workplace, as well as by redirecting human resources to sectors less affected by the crisis and with growth prospects. This has contributed to **both an increase in employment and a reduction in unemployment, resulting an overall improvement in the labour market.**

In 2022, the **number of employees** increased by 1.1% compared to the previous year, while **ILO unemployment rate** has maintained at the same level i.e. 5.6%. Employment rate of the population aged 20-64 was 68.5%, i.e. 1.4 p.p. higher than in 2021.

In 2022, **annual inflation** followed an upward trajectory, peaking at 16.4% at the end of the year. The ascending inflation rate was driven by the increase in energy prices, which were gradually taken over in production costs.

In terms of annual average, inflation rate stood at 13.8%. Above-average increases were noted in the prices of food (15.7%), followed by non-food (14.7%), while tariffs for services increased at a slower pace, by only 7.8%.

The annual rate of inflation recorded a downward trend in the Q1/2023, as energy prices dynamics have tempered following the government's measures to compensate and cap electricity and natural gas prices for population. In addition, fuel pressures have eased considerably amid falling international crude oil prices. At the same time, food prices continued to rise above expectations driven by second-round effects induced by the persistent high energy prices. On average, Q1/2023 ended with a 15.04% inflation, of which the most significant increase was in food (22.12%), followed by non-food (11.88%) and services (10.49%).

The current account deficit of the balance of payments continued to widen in 2022, reaching 9.3% of GDP, mainly due to the worsening of balance of goods and of primary income. Foreign direct investments (FDI) totalled a net value of 10,705 million euro and covered over 40% of the current account deficit. In **2022, FDI was at the highest level recorded after the financial crisis in 2008**, when direct investments by non-residents amounted to 9,496 million euro. Some of the foreign investors had the opportunity to materialize their projects disrupted in 2020, others started activities in fields that proved deficient during the pandemic or during the energy crisis and invested in manufacturing components and semi-finished products or in renewable energy production capacities. In addition, the Romanian economic environment benefited from the relocation of some investments, because of the armed conflict near our borders.

The economic growth forecast for 2023 - 2026 considered: (i) the effects of the energy crisis and of disruptions in supply chains onset in the second half of 2021 and amplified with the outbreak of the war; (ii) the absorption and efficient use of European funds through NRRP as well as from the Multiannual Financial Framework.

In the Spring forecast, economic growth for 2023 was maintained as in the previous two variants, i.e. 2.8%, the scenario being considered a prudent one. In early 2023, economic activity developed amid an unfavourable context, against the background of the continued aggression of the Russian Federation against Ukraine, and of the energy crisis which has been reflected in increased prices and worsened purchasing power. In this context, 2023 growth is based on the positive contribution of constructions, services and agriculture. For constructions, the trend in the second half of 2022 is expected to continue, with an estimated increase in GAV by 7%; absorption and effective use of the European funds has an essential role in carrying out the works in this field. The forecast expects a 3.1% increase for services, as they continue to represent a dynamic sector of the Romanian economy, despite the significant price increases. As for agriculture, after a year of sharp contraction, a 10.6% increase is expected in 2023 in favourable climatic conditions. On the other hand, industry will remain in negative territory in the first half of the year, against the background of the persistent unfavourable situation generated by the current geopolitical context; a recovery is expected towards the end of the period, with an estimated 0.2% decrease in GAV.

By elements of use, economic growth is driven by the investment process started in the second half of 2022, supported mainly by NRRP and 2021-2027 MFF funds, as well as by domestic funds. As a result, the gross fixed capital formation is expected to increase by 6.8%, materialized in productive and efficient investments with a driving effect throughout the economy. The investment rate will reach 25.5%, laying the basis for an investment-driven new model of economic growth. The less favourable economic outlook, the persistent high inflation, as well as the increased interest rates will significantly impact private consumption dynamics, which will witness an increase of only 2.7% in 2023. The positive contribution of domestic demand to GDP growth (+3.4 p.p.) will be corrected by the negative contribution of net export (-0.6 p.p.), export growth (+4%) being lower than import growth (+4.7%).

For 2024-2026, the average annual rate of economic growth is estimated at 4.8%. The scenario is based on the recovery of industry after the last years decline, against the background of economic recovery, with an estimated annual average of 4.4%. Investments will continue to play a fundamental role, supported by the European funds (NRRP and 2021-2027 MFF). In this context, the average annual growth rate for construction is estimated at 9.2%, higher than GDP growth. The service sector will perform with an average annual growth of 4.6%, with a highlight on modern activities with high GAV.

Within domestic demand, gross fixed capital formation will be the engine of economic growth, with an annual average rate of 8.4% and an investment rate around 27.6% in 2026, driven by the efficient use of external and domestic funds. Private consumption will record moderate dynamics, with an annual average rate of 4.7%; government consumption will increase, on average, by 2.1%. Net exports will register a downward trend, reaching at the end of the forecast interval a 0.5 p.p. negative contribution to economic growth. Exports of goods and services will increase by an annual average rate of 5.3%, while imports of goods and services will increase by an average of 5.9%.

Economic growth

	- annual percentage change -					
	2021	2022	2023	2024	2025	2026
Real GDP	5.8	4.7	2.8	4.8	5.0	4.6
Nominal GDP	11.3	18.7	12.9	10.5	8.8	8.0
<i>Real GDP components - expenditure method</i>						
Private consumption expenditure	8.1	5.5	2.7	4.8	4.9	4.5
Government consumption expenditure	1.3	4.3	1.7	2.8	1.6	2.0
Gross fixed capital formation	1.9	8.0	6.8	8.8	9.1	7.3
Exports of goods and services	12.6	9.6	4.0	5.2	5.7	5.1
Imports of goods and services	14.9	9.9	4.7	6.0	6.2	5.5
<i>Real GDP components - supply side</i>						
Industry	6.6	-2.3	-0.2	4.0	4.9	4.4
Agriculture, forestry and fish farming	5.9	-11.6	10.6	5.3	1.8	1.6
Construction	-8.1	11.2	7.0	9.6	10.0	8.0
Services	6.5	7.7	3.1	4.6	4.8	4.4
<i>Real GDP components - expenditure method (percentage)</i>						
Final domestic demand	5.6	6.1	3.7	5.7	5.7	5.1

	2021	2022	2023	2024	2025	2026
Changes in stocks	1.7	-0.6	-0.2	-0.1	0.0	0.0
Net Export	-1.5	-0.7	-0.6	-0.7	-0.6	-0.5
<i>Real GDP components - supply side (percentage)</i>						
Industry	1.3	-0.5	0.0	0.9	1.1	1.0
Agriculture, forestry and fish farming	0.2	-0.5	0.5	0.3	0.1	0.1
Construction	-0.5	0.7	0.4	0.6	0.7	0.6
Services	3.9	4.5	1.8	2.6	2.7	2.5

Source: INS and CNSP - 2023-2026 Spring forecast

The current account deficit of the balance of payments is forecasted at 26.2 billion euro in 2023, reaching a GDP share of 8.1%.

For 2024-2026 timeframe, the negative current account balance is estimated to an annual average value of 27.2 billion euro and its share in GDP will improve from 7.7% in 2024 to 6.7% in 2026. The forecast considers both the positive contribution of services balance and an increase of surplus in secondary revenues, as the amounts absorbed from European funds will increase.

External trade and current account

- Billion euro -

	2021	2022	2023	2024	2025	2026
FOB Export	74.7	92.0	101.7	110.1	118.5	126.0
- annual percentage change, %	20.2	23.1	10.6	8.2	7.7	6.3
CIF Import	98.4	126.1	137.8	149.4	160.9	171.0
- annual percentage change, %	22.1	28.1	9.3	8.4	7.7	6.2
Trade balance FOB - CIF	-23.7	-34.1	-36.1	-39.4	-42.4	-44.9
Current account deficit	-17.5	-26.6	-26.2	-27.2	-27.4	-27.1
- % of GDP	-7.3	-9.3	-8.1	-7.7	-7.2	-6.7

Source: INS and CNSP - 2023-2026 Spring forecast

In 2023, **inflation** is expected to reach 10.7% as annual average and 7.4% at the end of the year, with a disinflationary process more pronounced in the second half of the year. The forecast for 2024-2026 estimates a continued descending trend, as the shocks effects on the supply chain dwindle; inflation is expected to reach 2.6% for the end of 2026 and 2.9% as an annual average.

Inflation

- % -

	2021	2022	2023	2024	2025	2026
- end of year	8.2	16.4	7.4	3.9	2.9	2.6
- annual average	5.1	13.8	10.7	5.4	3.2	2.9

Source: INS and CNSP - 2023-2026 Spring forecast

Against the background of continued economic growth forecasted for 2023-2026, **labour market** is also expected to have a favourable evolution, paving the way for more jobs and improving employment for population aged 20-64 (by 4.1 p.p. by 2026, when it will reach 73.9%).

	Employment					
	2021	2022	2023	2024	2025	2026
Employment rate	67.1	68.5	69.8	71.2	72.6	73.9
Age group 20-64						
- men	77.0	77.7	78.4	79.4	80.9	82.3
- women	56.9	59.1	60.9	62.4	63.5	64.6
Unemployment rate (ILO) - %	5.6	5.6	5.6	5.4	4.9	4.4

Source: Eurostat and CNSP - 2023-2026 Spring forecast

Unemployment is also expected to continue a declining trend, with unemployment rate decreasing to 4.4% in 2026, 1.5 p.p. below 2022.

Potential economic growth is expected to recover, as a consequence of investments. For 2023, the potential growth dynamics is estimated at 4%; as NRRP investments implementation will advance, Romanian economy potential will reach the level before the pandemic and the war in Ukraine.

If in the pre-pandemic period the contribution of factors to potential economic growth was strongly asymmetric in favour of total factor productivity - TFP (about two thirds); at present, due to investments expected within NRRP (along with FDI flow and investments from national budget), the contributions of capital stock and TFP are roughly comparable.

The contribution of labour factor to potential growth is still impacted by demographic developments, but it will remain positive on average, as a result of (i) structural improvements in labour market that will help offset the demographic decline, as well as a (ii) increasing influx of foreign workers.

In this context, **the output-gap** is expected to be negative, following a fast closing trajectory, progressing from -2.9% of potential GDP in 2023 to -0.7% of potential GDP in 2026.

3. KEY REFORM PRIORITIES IN RESPONSE TO CSRs AND ECONOMIC AND SOCIAL CHALLENGES

3.1. Fiscal and budgetary policy and financial stability

REFORMS AND INVESTMENTS IN THE NRRP

The fiscal and budgetary objectives are developed within *Pillar III - Smart, sustainable and inclusive growth* and aim to increase revenues and optimize spending by ensuring predictability and fairness of fiscal measures, strengthening revenue collection, streamlining public spending. The objectives also aim a major reform of the pension system, which will help ensure fiscal sustainability. The fiscal area is mainly dealt with in component 8 of NRRP (Tax and pensions reforms), while components 4 and 6 (Sustainable transport and Energy) include each a reform in the fiscal area.

In the timeframe Q2/2022-Q1/2023, the Romanian authorities implemented measures on streamlining budgetary programming and digitalisation of the fiscal administration, such as:

- Entering into force of the adjusted legal framework on ensuring **multiannual budgetary planning** for significant public investment projects and performing an ex-post assessment of spending review by the Fiscal Council;
- Approving and entering into force of the *Methodology for the elaboration and execution of budget programmes* (by GD No 467/2022), which aims to promote uniform rules for the elaboration and presentation of budget programmes, as well as for their monitoring;
- Entering into force of the **amendments to the Fiscal Code that gradually reduce the scope of the special tax regime applicable to microenterprises**;
- Entering into force of the legal framework defining risk criteria for classifying taxpayers;
- Entering into force of the legal framework for fiscal control structures;
- Connecting over 600,000 cash registers to ANAF IT system;
- Enrolling over one million additional legal entities in ANAF's Virtual Private Space;
- Increasing desk audits to 40.68% of the total number of audits conducted by tax administration.

Additional information is also available in Annex II on FENIX database.

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OTHER MEASURES (in addition to NRRP)

Key directions:

- ✓ Fiscal consolidation
- ✓ Efficient management of public investment
- ✓ Improving tax collection
- ✓ Improving customs activity
- ✓ Financial and banking stability

Additional information is available in Annex I on CeSaR database.

Romania remains firmly committed to adjusting its budgetary deficit through sustainable and balanced consolidation efforts that do not affect the Government's capacity to support economy and promote investments. Thus, the authorities will continue to implement the necessary measures in order to achieve the deficit targets by the end of 2024; moreover, the efforts will carry on improving revenue collection and maintaining their upward trend. The Government will continue to aim at increasing tax and customs administration performance through improved tax services, digitalisation, intensified actions against tax evasion, improved customs infrastructure and modernised customs offices.

Details on Romania's fiscal policy, including public debt, are available in the *Fiscal-Budgetary Strategy 2023-2025* and in the *Convergence Programme 2023-2026*.

Furthermore, efforts will continue to maintain the financial and banking stability by constantly monitoring the legal developments in the financial and banking sector, by preventing and mitigating systemic risks, as well as by supporting financial intermediation and green financing.

Fiscal consolidation

The Romanian Government has pursued its fiscal consolidation policy started in 2021, acting in line with the recommendations formulated under the Excessive Deficit Procedure (EDP), while providing the support required to the economy and promoting investments.

As a result, **budgetary planning and execution for 2022** were carried out in accordance with the target stipulated within the EDP Recommendation³ from 18 June 2021, while navigating in a challenging geopolitical context with overlapping crises. **The execution of the consolidated general budget resulted in a deficit of 81 billion lei, i.e. 5.68% of GDP (cash)**, in line with the EDP recommendation and decreasing by 1.05 p.p. compared to the previous year. The positive evolution of the 2022 budgetary balance was mainly determined by:

- *GDP significant growth* in 2022 compared to the previous year;
- *The increase in budget revenues by 0.2 p.p. of GDP* (reaching 32.2% of GDP). The revenues of the consolidated general budget amounted to 460.09 billion lei in 2022, which was 21.2% higher than revenues for 2021. This increase was mainly influenced by the growth in VAT revenues, insurance contributions, additional energy income, non-tax revenues and European funds;
- *The reduction in budget expenditures by 0.8 p.p. of GDP* (reaching 37.9% of GDP), primarily due to a decrease in salary expenditures, as a share of GDP. In nominal terms, budget expenditures amounted to 541.09 billion lei in 2022, representing a 17.7% increase compared to the previous year level. Investment expenditures were 13.3 billion lei higher than in 2021, and subsidy expenditures⁴ amounted to 18 billion lei.

The main fiscal related measures to reducing budget expenditures in 2022 covered: maintaining the gross basic salaries/ bonuses/ allowances/ basis for calculating certain benefits at the level granted in December 2021, for the majority of the budgetary staff; not granting gifts or cultural vouchers, prizes, retirement allowances to the budgetary staff; extending the legal provisions on minimum budgetary allocation of a percentage of GDP to certain sectors and of some aids/ incentives to social/ disadvantaged categories.

Other relevant fiscal measures adopted in 2022 included: reducing the scope of the special tax regime for microenterprises (GO No 16/2022), extending the suspension of tax facilities for early education (GEO No 168/2022), resuming stoppage-at-source.

At the same time, the Government has been implementing **measures to mitigate the negative**

³ The recommendation stipulates for budgetary deficit targets of 8% of GDP in 2021, 6.2% in 2022, 4.4% in 2023 and 2.9% in 2024.

⁴ For passenger transport, supporting agricultural producers, compensation scheme for electricity and natural gas consumption

effects of the pandemic, of the armed conflict in Ukraine, and of the energy crisis on companies and households. These measures have included:

- **Supporting business environment by financing important programmes** such as: *IMM INVEST ROMANIA* (launched in 2020 and extended until 30 June 2022; over the period 2020 - 30 June 2022 the guarantees granted amounted to 31.80 billion lei); *guarantee programmes in priority areas*⁵ (IMM Prod, Rural Invest, Garant Construct and Innovation, available by 30 June 2022; in the implementation period, the guarantees granted amounted to 2.51 billion lei); *state aid scheme IMM INVEST PLUS*⁶, with its components - IMM Invest Romania, Agro IMM Invest, IMM Prod, Garant Construct, Innovation and Rural Invest (available until 31 December 2023; the guarantees granted amounted to 7.92 billion lei);

More information on these programmes is available at [chapter 3.4.1](#).

- **Measures on social protection** in the difficult context triggered by the overlapping crises: furlough schemes, temporary reduction of worktime (kurzarbeit), stimulating employment of people aged over 50 and of unemployed aged 16-29 (for details please refer to [Annex I, CSR 2020.2 Subparts 1 and 4](#)).
- Measures on easing fiscal burden: subsequently conducting tax inspections for VAT refund procedure (permanent measure from February 2022); more flexible access for restructuring the outstanding tax liabilities (by extending the term for submitting the notifications/restructuring demands to 31 January 2023/ 31 July 2023 - through GEO No 85/2022); applying the restructuring measure for tax liabilities managed by the local fiscal authority.
- Applying **VAT exemption** for tests and medication used in combating the pandemic;
- **Fiscal measures adopted in the context of the crisis in Ukraine:**
 - **Full deductibility** of cash donations granted by legal entities for supporting and granting humanitarian assistance to foreign citizens or stateless persons in special situations, coming from the conflict area in Ukraine;
 - **Limited deductibility** of expenses for goods and services provided for persons affected by the armed conflict in Ukraine.
- **Support schemes for payment of electricity and natural gas bills**, in order to compensate for the growth of fuel price for engines, and support schemes for restructuring some state companies.

In the medium term, Romania aims to gradually achieve fiscal consolidation and exit from the EDP by reaching the budget deficit targets provided by European regulations by the end of 2024.

Through the budgetary planning for 2023 and budgetary prognosis for 2024-2025, the Government maintains its firm commitment to adjust the budget deficit through a sustainable and balanced consolidation effort, targeting a limited increase of the current expenditure and an improved revenue collection. The targets set for the general consolidated budget deficit (both ESA and cash) are 4.4% of GDP in 2023, 2.95% of GDP in 2024 and 2.90% of GDP in 2025.

For **2023 budget**, the following, important, fiscal-budgetary objectives were considered:

- ✓ Transposing the measures adopted at European level, including those on business taxation or avoiding the erosion of taxable base and transfer of profits;
- ✓ Improving and streamlining tax legislation;
- ✓ Improving the legislation on tax evasion;
- ✓ Improving the mandatory electronic invoicing system (E-invoice);
- ✓ Addressing the issue on reducing labour taxation, especially in the area of low incomes (the

⁵ As approved by GEO No 24/2022.

⁶ As approved by GEO No 99/2022.

measures are part of the fiscal reform provided for in the NRRP).

Thus, the main **concrete measures related to expenditure** included in the 2023 budget are: a limited growth of the gross basic salaries/ military pays/ allowances to the budgetary staff (10% increase as compared to December 2022); maintaining bonuses/ compensations/ premiums and other elements of the salary system at December 2022 level; extending the legal provisions on minimum budgetary allocation of a percentage of GDP for certain sectors; increasing the pension point by 12,5% compared to 2022; establishing a maximum number of posts financed in 2023 from public funds by public institutions and authorities.

On the **revenue side**, the main measures included in the 2023 budget are: *amending the taxation regime for micro-enterprises* (reducing the ceiling for the previous year income from 1,000,000 euro to 500,000 euro, establishing the condition of having at least one employee, eliminating the 3% taxation quota); *adjusting VAT rate for certain products and activities* (increase, from 5% to 9%, for HoReCa services; increase from 9% to 19%, for non-alcoholic beverages containing added sugar; applying the 5% reduced rate for purchasing a single home valued under 600,000 lei); *setting a derogatory tax regime for 200 lei/month in the case of employees with the gross national minimum wage*; extending the facilities granted to employees in construction sector to employees in the agri-food sector earning a monthly gross income from salaries of up to 10,000 lei; *increasing excise duties* on processed tobacco products, heated tobacco products and liquids containing nicotine; *increasing the tax on dividends* from 5% to 8%; applying the monopoly tax in the electricity and natural gas sector, and applying taxes on the amounts resulting from price differences in the sale of natural gas, until 31 December 2025.

Public debt calculated according to EU methodology stood at 47.2% of GDP at the end of 2022, below the 60% ceiling established by the Maastricht Treaty.

According to current estimates, the public debt calculated according to EU methodology will stand at 46.8% of GDP at the end of 2023 and below 50% of GDP in the medium term.

Efficient management of public investments

MF continues to monitor the way in which the main credit release authorities reflect the **significant public investment projects' prioritization** results in their annual budgets.

On 27 July 2022, the Government approved the *Memorandum on significant public investment projects' prioritization results used in drafting the public budget for 2023*. It includes **189 significant public investment projects** managed by eight main credit release authorities (compared to 177 projects in 2021, 160 in 2020 and 158 in 2019). The largest share in the portfolio belongs to MTI, which manages 142 projects, followed by MDLPA with 16 projects, MMAP with 12 projects, MS with 9 projects, MAPN with 4 projects, MJ with 3 projects, MCID with 2 projects and the Protection and Guard Service with one project. In 2023, the authorities will carry on a similar assessment process in order to prioritize the significant public investment projects, which will be used in the drafting of 2024 budget.

Implementation of the **National Programme for Local Development (NPLD)**, which is the main source of funding for the local infrastructure, has continued. Thus, 7,718 investment objectives were completed by 31 March 2023: 3,577 objectives financed under NPLD Stage I (2015-2023) and 4,143 objectives financed under NPLD Stage II (2017-2022). The total amount settled for developing these investment objectives amounted to 39.08 billion lei. In the period 2021-2023, commitment appropriations were provided in the MDLPA budget in order to supplement the amounts allocated from the state budget for the investment objectives included in the NPLD - Stage I and Stage II.

For the forthcoming period, the authorities intend to carry out a *territorial impact assessment of the public investment programmes*, based on the *Tia Quick Check* procedure, developed at European level within the ESPON programme and adapted at national level with technical support from the WB. Moreover, a *procedure for tracking the financed objectives* is to be developed, which will contribute to a more efficient planning and a clearer record of public

works financed on the national territory, including the rapid finding of potential double financing cases.

MDLPA regularly publishes open data on the investment objectives of the main programmes beneficiary of public funding (*Anghel Saligny*, NPLD), as committed to in the *Open Government Action Plan 2022-2024*, approved in July 2022.

With regard to **public-private partnership projects (PPP)**, the *National Strategy for implementing priority projects under PPP regime*, drafted by the Public Investment Management Unit (UMIP) under MF together with experts from EIB, was adjusted in 2021 and 2022. The approval of the strategy is expected in 2023.

Moreover, a technical assistance project for preparing PPP projects, financed through the Technical Support Instrument, is ongoing and is expected to be completed on 15 June 2023; the documents prepared under the project will be adopted as tertiary legislation - guidelines and methodologies on preparing PPP, and will form the basis of the operational procedures to be used to verify the conformity with the applicable legislation and with the international best practices (especially for the feasibility study and PPP contract).

Concerning the **efficiency of public spending**, the technical assistance project, developed within the Compartment for Public Spending Review and Efficiency (MF), in order to *strengthen its administrative capacity by drafting a methodology for monitoring and assessing the financial impact of the measures established in the context of a spending review or of a programme*, was completed in December 2022. DG Reform has provided technical assistance for preparing a methodology for monitoring the impact of the measures resulted from spending reviews, as well as for drafting a multiannual strategy on the areas to be included in a spending review.

Improving tax collection

In 2022, ANAF and AVR continued their efforts to improve tax collection, collecting budgetary revenues increased by 19.8% compared to 2021 (372.6 billion lei), in the context of maintaining the pace of VAT reimbursement to economic environment. In 2022, VAT reimbursement rate increased, both in value (from 24.3 billion lei in 2021 to 28 billion lei) and in number (from 111,548 to 118,578 settled accounts).

In addition, in the first two months of 2023, ANAF and AVR collected 60.97 billion lei, which represents a 6.2% increase compared to the corresponding period in 2022, in the context of an additional reimbursement of 1.53 billion lei compared to 2022.

The positive results of the last two years were mainly due to the implementation of annual action plans for revenue recovery and consolidation, in line with ANAF Strategy 2021-2024. In 2022, ANAF implemented the **Operational Plan for strengthening the administration of budget revenues**, continuing the previous initiatives. The plan is structured on five main objectives and the most important operational measures adopted in 2022 are as follows:

Objective 1: Developing services for taxpayers and strengthening the partnership

- ✓ Providing a *chat* service on ANAF website;
- ✓ Expanding the services provided in *self-service* system (through IVR);
- ✓ Expanding the possibility of taxpayers to submit requests in all current tax administration structures conducting activities with taxpayers.

Objective 2: Integrated digital solutions

In 2022, significant progress was made regarding the implementation of the projects below:

- ✓ *Standard Audit File for Taxation (SAF-T)*, operational since 1 January 2022;
- ✓ *E-Invoice* - operational since November 2021. In 2022, the authorities adopted measures on fighting tax evasion for high fiscal risk products and for a better tracking of holiday vouchers use;

- ✓ The project *Increasing the administrative capacity of MF and subordinate institutions to improve interaction with citizens and business environment, and provide extended electronic services through ANAF website.*

Objective 3: Increasing voluntary compliance

- ✓ Continuing the process of streamlining and digitalising fiscal forms (54 forms digitalised);
- ✓ Drafting the *Strategy for increasing voluntary compliance for personal income tax in Romania 2023-2025*. In 2022, ANAF carried out *three pilot projects on the income made by natural persons* from rental and leasing activities, educational/ learning activities and from beauty/ body care activities. Within the projects, ANAF elaborated guides on declaring and paying the tax on income made from the three sources aforementioned, implemented letter campaigns for target groups and public information campaigns, and carried out complex data analyses, which will be used in future actions;
- ✓ Running *awareness campaigns* on the services provided for taxpayers in order to facilitate the fulfilment of fiscal obligations.

Objective 4: Intensifying the actions on fighting tax evasion

- ✓ Refining models for calculating fiscal gaps (RA-GAP model);
- ✓ Increasing the number of tax inspections by 5%;
- ✓ Implementing SAF-T and carrying out the first SAF-T report on large taxpayers;
- ✓ Establishing *RO e-Transport* - the national system for monitoring road transport of high fiscal risk goods;
- ✓ Timely publication of press releases, in order to make public the actions on combating tax evasion and the outcomes of the anti-fraud structure;
- ✓ Ensuring large-scale interoperability with institutional partners (by concluding new collaboration protocols between ANAF and other public institutions/ authorities).

Objective 5: Human Resources management

- ✓ Implementing the Annual plan for professional training of ANAF personnel;
- ✓ Organising training sessions in order to raise the awareness on the *Strategy for increasing voluntary compliance for personal income tax in Romania* and regarding the recommendations on compliance from income tax perspective;
- ✓ Organising training sessions on implementing *SAF-T* and *Digital Inspector* apps;
- ✓ Setting up the **Fiscal School** (A Centre of excellence for professional training in tax field) as a directorate under ANAF's General Directorate for Organization and Human Resources;
- ✓ Recruiting personnel by organizing contests in order to ensure personnel, including in areas with deficit or in new fields of activity (e.g. statisticians, IT, econometrics, data analysis specialists).

The main strands of action established for 2023 fall within the objectives of ANAF's medium-term strategy, which are mainly implemented through the reform actions provided for in the NRRP. The measures financed by ANAF's own resources, by the state budget or by EU funds (other than those from NRRP), are presented below (within each objective):

1. Improving services - developing a partnership relation with taxpayers in order to increase the voluntary compliance. Within this objective, the following measures are considered:

- ✓ Optimising and simplifying the services offered through the Virtual Private Space (SPV);
- ✓ Conducting *proactive actions among taxpayers*, such as: providing tax assistance in online meetings, through webinar service; developing guides and informative materials and publishing them on ANAF website; publishing the main findings and results of fiscal control

activities; organizing awareness campaigns on services provided by ANAF in order to facilitate the fulfilment of fiscal obligations;

- ✓ Developing the measures contained by the *Strategy for increasing voluntary compliance for personal income tax in Romania 2023-2025*, by using the information obtained within the pilot projects on the income made by natural persons from rent activities, from educational/ learning activities and from beauty/ body care activities.
- 2. **Integrated digital solutions - digitally transforming ANAF through integrated digital solutions** that use all the available data and information. In 2023, ANAF implements the objectives within its Digital Strategy, while the digitalisation projects are developed through NRRP.
- 3. **Preventing and fighting fiscal evasion.** In addition to the activities undertaken in NRRP, ANAF is planning to: monitor (24/24h) the road transports for goods resulted from intra-community acquisitions, within the *E-transport* and *Improving the monitoring system of intra-community transactions* projects; use the information obtained through the fiscal control digital instruments and data collection (interconnected cash registers, electronic invoice, SAF-T, Ro e-Transport etc.).
- 4. **Efficiency and transparency - transforming ANAF into a solid, modern and trustful institution:**
 - ✓ Making the Fiscal School operational - the structure aims to attract lecturers of high professional and academic value, in order to deliver professional training courses and training the junior civil servants, to carry out studies and scientific research in the fiscal field, to organize seminars and scientific communications;
 - ✓ Strengthening the collaboration and communication with international bodies (EC, IOTA, IMF, OECD) and other fiscal administrations;
 - ✓ Strengthening the consultative mechanism with business environment and taxpayers. Throughout this period of profound changes, ANAF will maintain a permanent connection with the professional organizations through the Advisory Council, by organizing periodic meetings of the Fiscal Analysis Group.

Improving customs activity

As of March 2022, the **Romanian Customs Authority (AVR)** operates as a national agency with duties in the customs field, under the Ministry of Finance (according Law No 268/2021 on establishment of AVR). In 2022, the customs authority continued its activities:

- on ex-post control and re-checking of customs statements submitted and accepted;
 - in the field of safety and security risk analysis (through the import control system ICS2-RO);
 - on implementing the electronic customs;
 - on monitoring the movement of excise goods under duty suspension (through EMCS-RO);
- Note: the above-mentioned actions are implemented through NRRP.*
- on improving customs infrastructure and modernising border customs offices (Siret, Albita-Leuseni, Sculeni, Giurgiulesti) by implementing the two projects with external financing (though LIOP and Romania-Moldova Common OP);
 - on preventing and fighting illicit tobacco traffic; according to a study, in 2022 the illicit tobacco market was at its lowest average level over the last 15 years - 7.1%.

In addition, in 2022 AVR drafted, submitted and received approval from the EC on its proposals for funding, through **Customs Control Equipment Instrument (CCEI)**, non-destructive control equipment for 19 external border customs offices. As a result, two projects financed by CCEI started in early 2023, namely: Developing the efficiency of AVR customs control activity, and developing the analysis capacity of AVR Central Customs Laboratory.

Moreover, the authorities carried out specific activities on developing the legal framework for setting up a *Central Coordination Unit* within AVR, according *Naples II Convention* on mutual assistance and cooperation between customs. In that regard, an inter-institutional working party consisting of AVR, MAI, MF, MJ and General Prosecutor's Office representatives was established.

For 2023, AVR is planning the following activities: continuing the current customs activities; increasing the efficiency of safety and security risk analysis (by awarding a new software contract for alignment with Phases 2 and 3 of ICS2-RO - financed through NRRP); completing the infrastructure works within the two projects financed through LIOP and Romania-Moldova Common OP; purchasing the equipment in the two CCEI projects; continuing the implementation of electronic customs (by developing 10 electronic applications for guiding customs activity towards a fully electronic environment); drafting the legal proposal on applying Naples II Convention in Romania; implementing the EU Strategy on customs risks management (through which the provisions of the Union Customs Code will be transposed).

Financial and banking stability

The National Bank of Romania (BNR) constantly monitors the developments and legal initiatives in the financial and banking sector in order to **safeguard legal security and financial stability**. Over the last years, BNR has been involved in a series of draft laws concerning the financial-banking sector, by **providing its opinions/views, observations and proposals**, as well by issuing **secondary regulations**. The most recent draft laws concerned were in the field of setting up development banks, consumer protection, increasing the financial inclusion, transposing EU directives (on prudential supervision of financial investment companies, on issuing secured bonds) or implementing EU Regulations (on European crowdfunding service providers for businesses, on development of a specific framework for a simple, transparent and standardised security or on a pan-European personal pensions product).

In order to maintain financial stability by **preventing/ mitigating systemic risks**, the National Committee for Macroprudential Supervision (CNSM) issues recommendations and warnings addressed to BNR, ASF or the Government. In 2022 CNSM issued *seven recommendations* on: (i) recalibrating the countercyclical capital buffer; (ii) adopting measures on increasing financial intermediation; (iii) the requirement applicable in 2023 on the capital buffer for other systemically important institutions, as well as the decision on complying with the provisions of the European Banking Authority Guide No 12/2022 on detailing and publishing indicators of systemic importance. In Q1/2023, CNSM issued a recommendation (no 1/2023) on maintaining the countercyclical buffer rate at 1% as from 23 October 2023.

In the timeframe 2020 - 2022, three working parties carried out activities in order: to reduce vulnerabilities rising from an increasing trade balance deficit for agri-food products; to find solutions for supporting green financing; to support financial intermediation. The measures found by the three working parties were subject of CNSM recommendations (no 6/2020, no 6/2021, no 3/2022). In order to implement the measures targeting BNR within CNSM *Recommendation No 3/2022 on sustainable growth of financial intermediation*, BNR undertook actions aiming at:

- Assessing entrepreneurs' financial education level and setting the indicators for monitoring the progress in this domain. To this end, in March 2023, BNR reviewed the Survey on access to financing by non-financial companies in Romania, in order to incorporate standard questions for measuring the financial education of Romanian companies;
- Recalibrating the project *BNR EconomicHub* (managed by BNR in partnership with the county Chambers of Commerce and Industry) for organizing conferences for SMEs, together with the academic environment and banking sector, on relevant topics (increasing the financial education of entrepreneurs, sustainable growth of financial inclusion, raising awareness of the products and services offered by banks and NFIs, promoting the digitalisation of firms activities and the use of digital banking services, risk management);

- Drafting a *Note on increasing the financial education of companies in Romania*; in addition to the above mentioned proposals, this note contains measures on: identifying the standard image and pattern of successful companies and presenting them to the public; identifying key lessons for a good management and presenting them among companies management teams; finding solutions to increase financial inclusion and digitalisation;
- Organizing a *MA academic programme on central banks and financial institutions activity*, in partnership with Bucharest University of Economic Studies (ASE), starting from the academic year 2022/23. To this end, BANCAS MA academic programme was reshaped to serve as a professional development tool for specialists from central bank and from credit institutions departments closely linked to the activity of the central bank. By improving the professional training of employees in the financial system, this MA programme will also lead to an increase in financial intermediation.

As a **prudential supervisory authority**, BNR reflected in its supervisory programme for 2022 the *EU strategic priorities*, including in addition to the assessment of business and internal governance model some strategic objectives with regard to the monitoring asset quality, credit risk management in the pandemic context, and IT and security risks related monitoring processes.

In 2023, BNR will continue to monitor developments in the financial and banking sector and to engage in debates concerning legal projects whose regulatory scope falls within the scope of competence and responsibilities of the central bank. In this context, BNR will assess the impact of these legislative initiatives in the financial and banking sector and will present its opinions, observations and proposals, promoting solutions that do not affect financial stability and do not trigger systemic risk.

In the **insurance sector**, as from December 2022, ASF is the beneficiary of the multi-country *Project on Sustainable Finance - Enhancement of the Supervisory Capacity*, within TSI 2022. The project aims at *reducing the funding gap for fighting climate effects* and has specific objectives on analysing the legal framework for green finance, strengthening ASF institutional capacity regarding reporting requirements and public information on sustainable financing, as well as raising awareness among investors on the importance of green investment for stimulating sustainable growth. The project will run for 22 months.

The National Strategy for Financial Education (SNEF), prepared by the Committee for Financial Education (consisting of BNR, ASF, MEd, MF and Romanian Association of Banks), aims to improve financial education among Romanian pupils, students, adults and economic operators. SNEF is aiming for more informed and responsible financial decisions, which will lead to an increased well-being, as well as to an environment that encourages stakeholders to provide a quality financial education for the population. In 2022, the draft strategy was open for public consultation on the MEd website, subsequently being updated according to the proposals submitted. Its approval is expected for Q4/2023.

The measures presented in this chapter can contribute to the fulfilment of SDG 8.

3.2. Green transition

3.2.1. Environment and climate change

REFORMS AND INVESTMENTS TARGETED BY NRRP

The objectives regarding environmental policies and climate change are extensively reflected in the content of NRRP, confirming the particular importance of *Pillar I - Green Transition* in the overall projection of the Plan. In fact, 41% of the total amount of NRRP is earmarked to supporting green transition measures. The main reforms and investments focus on water management, forest and biodiversity protection, waste management, promotion of sustainable transport, building stock renovation, energy policy, green education etc. Environment and climate change are specifically addressed by Components 1, 2, 3, 5 and 10 of NRRP.

In the timeframe Q2/2022 - Q1/2023, measures to speed-up transition to circular economy and stimulate biodiversity were implemented, as well as for the consolidation of unified waste management and increased energy efficiency, as follows:

- Adoption of the Romanian Strategy for the Circular Economy (by GD No 1172/2022);
- Approval of the National Forest Strategy 2030 (by GD No 1227/2022);
- Establishment of the Inter-ministerial committee for the analysis of the legal framework applicable to sectors with impact on biodiversity (by GD No 781/2022);
- Entry into force of the normative acts necessary for the **operationalization of unified waste management**, in accordance with the *National Waste Management Plan*, through: *GEO no133/2022 amending and supplementing GEO No 92/2021 on waste management, as well as Law No 101/2006 on municipal sanitation service, ANRSC Order No 640/2022 for the approval of methodological norms for setting, adjusting, or modifying tariffs for sanitation activities, as well as for calculating separate fees/taxes for waste management and sanitation taxes;*
- Amendment of the technical regulatory framework on **investments for the transition to green and digital building stock** through: *MDLPA Order No 2818/2022 on technical regulation "Guide for implementing energy performance measures applicable to new buildings in the design, execution, and reception stages, operation and monitoring their behaviour in time, to meet nZEB requirements, RTC Code 4 - 2022"; MDLPA Order No 2819/2022 on technical regulation "Guide for implementing energy performance measures applicable to existing building stock in the design, execution and reception stages, operation and monitoring their behaviour in time, to meet nZEB requirements, RTC Code 3 - 2022"; MC Order No 3568/2022 on the intervention methodology for non-invasive energy efficiency in historically buildings;*
- Operationalization of an *Inter-institutional Committee on Climate Change* by adopting *GD No 563/2022 on the establishment, organization, and operation of the Inter-ministerial Committee on Climate Change and Government Memorandum No 838/2023 approving Romania's set of climate change priorities and corresponding Action Plan for 2023;*
- Entry into force of the *GD on establishing Romania's urban policy framework - GD No 1575/2022 for the National Strategy for Integrated Urban Development for Resilient, Green, Inclusive and Competitive Cities 2022-2035 - Romania's Urban Policy.*

Additional information also available in Annex II regarding the FENIX database.

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OTHER MEASURES (in addition to NRRP)

Key directions:

- ✓ Improving the waste management, including hazardous waste;
- ✓ Improving environment infrastructure and quality;
- ✓ Nature protection and biodiversity conservation;
- ✓ Improving air quality and reducing GHG emissions in the agricultural sector.

Additional information also available in Annex I regarding the CeSaR database.

Major efforts are being made to develop the environmental infrastructure, and to combat and mitigate climate change effects. Thus, significant public investments are made in order to strengthen and expand integrated waste management systems, to achieve the transition to the circular economy, but also to expand, rehabilitate and modernize water and waste water networks and to ensure protection against the flood risk. Measures aimed at nature protection and conservation, restoration of biodiversity, including afforestation, replacement and restoration of degraded land are also undertaken. In addition, increased attention is paid to improving air quality monitoring and control infrastructure and reducing GHG and ammonia emissions from the agricultural sector.

Improving the waste management, including hazardous waste

The main measures taken to improve waste management, with funding from EU funds (detailed in *Annex I*) refer to: (i) *Integrated/ Individual Projects for the Consolidation and Extension of Integrated Waste Management Systems, respecting/observing the Waste Hierarchy* (LIOP PA 3, SO 3.1) - it is expected to increase the waste recycling capacity by 340,000 additional tons/year, in order to reach, at the end of 2023, the target of 1,300,000 tons/year waste recycling capacity; (ii) *Sustainable Development Programme 2021-2027 (SDP)*, through SO 2.6. *Promoting the transition to a circular and resource-efficient economy*, supports the waste management sector, so that the prerequisites for compliance with the *Circular Economy Package* are ensured, through investments in accordance with the *National Waste Management Plan*, the *County Waste Management Plans* and the *Waste Management Plan for Bucharest*. The SDP aims at measures such as: improving the municipal waste management; additional individual investments for the closure and rehabilitation of non-compliant municipal waste dumps; awareness campaigns on the prevention of waste generation (including through reuse); support for the preparation of the project portfolio for the timeframe 2021-2027 and post 2027; (iii) *The Environment, Adaptation to Climate Change and Ecosystems Programme*, financed by the EEA Financial Mechanism 2014-2021, envisages the closure of two temporary municipal landfills, following the call for proposals *Measures to Reduce Contamination with Hazardous Substances in Temporary Municipal Deposits*, dedicated to local public authorities, and carried out between March and May 2022. The budget available for this measure was increased to 11.70 million euro for six projects applications selected following the call and currently under implementation.

The Regional State Aid Scheme for Investments, aimed at reducing the negative effects of waste on the environment and reducing the consumption of primary resources, finances the *Programme of Waste Management, Including Hazardous Waste*, which makes available to the economic operators that build recycling and waste treatment facilities, a total budget of roughly 1,100 million lei as commitment appropriations and 32 million lei as budgetary appropriations. Moreover, the *Programme on the Greening of Waste Affected Areas* (generally called *Clean Romania*) is financed with a budget of 27 million lei.

The *De minimis aid scheme for the transition to the circular economy*⁷ aims to stimulate the fulfilment of some investments and some categories of activities financed from state budget, raising a significant interest at the industry level. The scheme fosters: **(a)** Technological transfer for the prevention of waste generation and its reduction, as well as for the efficient use of resources, reuse, repair and recycling; **(b)** Development of R&I activities, ecological design of products and services promoting the circular economy principles; **(c)** Establishment/equipment/modernization of testing laboratories for materials and products resulting from circular economy activities, as well as their accreditation, as appropriate; **(d)** Establishment/equipment and operation of centres for repair and reconditioning of goods for the reuse of waste and repair of goods; **(e)** Expansion of waste recycling activities; **(f)** Development of centres for the collection and valorisation of wool, linen, hemp, textile products, resulting from the application of circular economy principles; **(g)** Recycling/reuse and/or capitalization of industrial waste generated in secondary raw materials or products with added value greater than that of the waste from which they originate; **(h)** Modernization of available recycling facilities, which would result in at least 30% lower GHG emissions, as well as reductions in the levels of other pollutant categories in relation to the available technological line; **(i)** Launching/expanding the production of plastic-free goods, alternatives to single-use plastic products; **(j)** Launching/expanding the production of free-plastic packaging⁸.

Improving environment infrastructure and quality

Efforts and investments are being made for the **expansion of water and waste water networks, construction and rehabilitation/modernization of treatment plants, sewage networks and sewage treatment plants.**

The *Programme for Supporting the Connection of the Population with Low Incomes to the Available Water Supply and Sewerage Networks*, with a budget of 836.64 million lei, stimulates an increased access of the population, especially in rural areas, to the public water and sewerage service, in accordance with the requirements of EU legislation and providing access to this service for all social categories.

The **investments in the field of water - wastewater** under *LIOP SO 3.2.* envisage development of new water and sewage networks, including water purification stations. In this context, the LIOP target for 2023 is 1,836,354 people, in terms of water supply and 1,248,721 people in terms of better wastewater treatment.

At the same time, investments in the water and wastewater sectors will also be made through SDP - SO 2.5. *Promoting Access to Water and a Sustainable Management of Water.* These investments will be made in compliance with the provisions of the *Urban Waste Water Treatment Directive* and with those of the *Drinking Water Directive.*

For the collection and treatment of urban waste water, funding will be allocated for agglomerations larger than 2,000 equivalent inhabitants (e.i.), priority being given to the completion of investments in agglomerations with more than 10,000 e.i. With regard to water supply, the projects will aim to ensure water quality and expand water supply systems (in the context of integrated regional water and wastewater projects). In addition, actions aimed at reducing water losses and national studies on measures to improve the efficiency and ensure the sustainability of projects will be supported. At the same time, the energy efficiency of water/wastewater systems will be supported.

Flood risk protection is another strand of action. The most important projects/ measures implemented are the following: **(A) with ACOP 2014-2020 funding:** **(i)** *Strengthening the Capacity of the Central Public Authority in the field of Water Management to implement the second and third stages of the Flood Directive - RO-FLOODS, Cycle II;* **(ii)** *Strengthening the Capacity of the Central Public Authority in the field of Water Management to Implement the*

⁷ Established by GO No 27/2022 on the regulation of some financial measures by establishing the *de minimis aid scheme in view of the transition to the circular economy*, which is effective as of 2023.

⁸ According to the provisions of art. 18 of OG No 27/2022.

National Flood Risk Management Strategy in Medium and Long Term; (B) with LIOP funding: (iii) Increasing the Level of Training for a Fast and Effective Response of Intervention Teams to Disasters; (iv) Equipping and related training for ANAR with machines and equipment for measuring and monitoring the water management infrastructure, as well as for improving the interventions capacity and preventive actions to secure available capacities; (v) WATMAN II project - Informational System for Integrated Water Management -Stage II - Alarm Systems, Integrated Communications and Decision Support System; (vi) Promoting Adaptation to Climate Change, Prevention and Risk Management; (vii) Reducing Coastal Erosion Phase II (2014-2020); (viii) Flood Defence of Babadag Locality, Tulcea County; (ix) Complex Development of the Jiu River to protect the Municipality of Craiova against floods; (x) Flood Risk Mitigation for Ialomita River Basin, downstream the Pucioasa Reservoir - Component I - Ialomita Upstream River Basin; (xi) Flood Risk Mitigation for Tecuci Municipality, Galati County; (xii) Complex Defence of the Danube Delta to Mitigate the Flood Risk to Life; (xiii) Development of the National System for Monitoring and Warning of Severe Weather hazards to secure Life and Goods Protection; (xiv) Modernization of the Monitoring and Alert Infrastructure for Severe hydrometeorological hazards to secure Life and Goods Protection - INFRAMETEO.

SDP 2021-2027 will target flood, coastal erosion and drought related risk management and the reduction of their impact on the population, property and the environment, through the following major types of measures: (a) integrated development of watersheds (water management actions and land improvements) by using/applying non-structural measures (e.g. reduction of surface runoff, remodelling, formation of natural flood zones), with a green infrastructure development preponderance (floods and drought) and by adapting current green infrastructure, in line with EU practices and promoted to achieve the objectives of the PEV, including by securing the lateral and/or transversal connectivity of the river, which can contribute to the restoration of underground water reserves and, at the same time, to the reduction of GHG emissions by storing carbon in the soil and vegetation; (b) specific actions to contain the negative effects of coastal erosion are ongoing; (c) implementation of non-structural measures, mainly "nature-based solutions" (green measures - e.g. planting protective forest curtains, fixing of sand dunes and of lands/soils affected by drought) as a complementary factor for maintaining the ecosystems functions and strengthening their resilience against drought and desertification; (d) development of monitoring, warning and alarming infrastructure for severe hydrometeorological hazards (floods and drought), including ICT systems and infrastructures, for the evaluation and sustainable management of natural resources, as well as public awareness raising activities; (e) strengthening the administrative capacity to ensure the implementation of applicable European Directives in the field.

In the context of the policy objective conceived *To enable regions and people to address the social, employment, economic and environmental impacts of the EU's transition towards its 2030 targets for energy and climate and a climate-neutral economy of the Union by 2050, based on the Paris Agreement*, one of the main actions included in the Just Transition Programme (JTP) 2021-2027 is granting **"Support for the greening and conversion of buildings affected by economic activities in decline or in transformation"**. This action aims to reduce pollution and generate sustainable jobs by reintroducing decommissioned sites resulting from the decline and/or transformation of some economic sectors into the economic-socio-cultural circuit or by capitalizing on them for green infrastructures. This objective will be achieved, in compliance with the "polluter pays" principle, through investment measures in the repairing or decontamination and conversion of contaminated sites or decommissioned industrial buildings. Thus, within the JTP, these investments will be financed in six counties (i.e. Hunedoara, Dolj, Gorj, Mures, Prahova, Galati), pursuant the provisions of the *Law No 74/2019 on the management of potentially contaminated and contaminated sites*.

[Nature protection and biodiversity conservation](#)

Projects aimed at developing and implementing management plans for Natura 2000 sites and for overlapping protected natural areas of national interest are a national priority. In this regard,

ANANP and GNM are partners with MMAP in the project - *Strengthening the institutional capacity to improve policies in the field of climate change and adaptation to climate change effects - SMIS 127579*. In partnership with the Miercurea-Ciuc Research and Development Institute for Hunting and Mountain Resources, they also run the project *Rehabilitation of Wetlands and Peatlands in the Centre Region*.

In addition, between 1 January 2021 and 31 December 2023, MMAP in partnership with GNM, ANPM and AFM, are implementing the *Technical Assistance Project for the Implementation of Governance Measures from the National Waste Management Plan*, financed under LIOP PA 3, SO 3.1.

Throughout the reference period (Q2/2022 - Q1/2023), ANANP and its specially constituted administrative structures, engaged in a contractual relationship, in a regulatory procedure, have issued a total of 457 permits to harmonize the forestry, agro-pastoral arrangements and urban plans with the management plans of the protected natural areas.

Based on the *Regulation (EU) 2021/695 of the European Parliament and of the Council of 28 April 2021 establishing Horizon Europe (2021-2027) - the Framework Programme for Research and Innovation*, the *Environmental Crimes' Intelligence and Investigation Protocol Based on Multiple Data Sources (EMERITUS)* project is implemented. This consortium agreement aims to develop and implement a protocol for efficient investigation of environmental crimes, leveraging innovative monitoring and analysis technologies (drones, satellite data, virtual sensors, geo-intelligence data, etc.) and a complementary training programme to encourage environmental law enforcement authorities (e.g. Environmental Guard and Border Police) to enforce law and enhance national and cross-border information and investigation capacity.

With regard to *nature protection and biodiversity conservation*, actions were financed under LIOP SO 4.1 for developing and implementing the management plans for protected areas/ action plans for species/ series of conservation measures, as well as the maintenance and restoration of degraded ecosystems and provided services. Through the selected projects, a better conservation status will be achieved for habitat areas, 48,686 ha being targeted under LIOP for 2023, and a series of measures/management plans/action plans will be developed and approved, the LIOP target for 2023 aiming at developing 57 plans.

Additionally, interventions included in SO 2.7 *Enhancing protection and preservation of nature, biodiversity and green infrastructure, including in urban areas, and reducing all forms of pollution* are supported by SDP and RP.

At the same time, SDP will finance **biodiversity conservation** measures to meet environmental directive requirements. These measures will support: development of Management Plans for Natura 2000 Sites and Action Plans for Species; maintenance/improvement of species and habitat conservation status; improvement of degraded ecosystems through LIOP projects; an improved knowledge of biodiversity and ecosystems (e.g. conducting scientific studies), and administrative capacity measures.

Regional Programmes (RPs) finance regional and local investment projects that mainly focus on the following priorities: (i) modernizing/expanding/building and equipping green spaces (RP North-West); (ii) improving nature protection and green/blue infrastructure in the regional urban environment and revitalizing these areas (RP Centre); (iii) promoting green infrastructure growth in urban areas that provide ecosystem services (RP North-East); (iv) developing green infrastructure in urban areas and Natura 2000 sites, including the exploitation of unused public land (RP South-East); (v) protecting and preserving nature, biodiversity and green infrastructure, including in urban areas, and reducing all forms of pollution, especially using the green-blue infrastructure solution (RP South-Muntenia); (vi) developing, improving and expanding green spaces and infrastructure through a landscape-level approach and nature-based solutions (RP Bucharest Ilfov).

Biodiversity applicant guides for calls for projects have been launched for public consultation as from Q2-Q3/2023 for RP North-West, RP West, RP South-West Oltenia, and RP Centre.

Improving air quality and reducing GHG emissions in the agricultural sector

To mitigate the effects of climate change, afforestation/ tree addition/ reforestation works on degraded land have continued, funded both through NRRP (details in Annex II) and from the state budget, through the Forest Guards budget (expenses of 7.75 million lei in 2022) and RNP-Romsilva (expenses of 0.06 million lei for 2022).

Two programmes are funded under SO 4.2 of LIOP, to *improve the air quality assessment and monitoring infrastructure*: (i) *Improving the National Air Quality Assessment and Monitoring System*, 139703 MySMIS Code, with a total eligible value of 14.89 million euro, for which the awarding procedure for the development of the National Air Quality Monitoring Network is to be completed; (ii) *Expanding and Modernizing the Air Quality Monitoring and Control Infrastructure to Increase the Accuracy of the Information and the Capacity to Respond to Pollution Episodes* - which is a project under implementation, with a total eligible value of 11.52 million euro.

Through SDP, measures will be funded to equip the *National Air Quality Monitoring Network* with new equipment, through the replacement or modernization of current worn and obsolete equipment for measuring pollutants (including relocation/new stations), with complementary investments to LIOP, to continue to comply with requirements for quality assurance and control of data and reporting by Romania to the EC and meet the objectives of the National Air Pollution Control Programme.

Through the JTP, the *Investment for substantial reduction of ETS emissions specific to the production of chemical fertilizers* is provided, which aims to integrate green hydrogen into ammonia production. In addition, *the Investment for reducing emissions from steel production* is also considered in Galati County under the JTP.

Through the NRDP 2014-2020⁹, **the reduction of GHG and ammonia emissions in agriculture** is supported through investments to achieve an adequate level of farm endowment, modern facilities for the storage and application of manure and sewage sludge, biogas facilities, machinery used in agriculture to reduce GHG and ammonia footprint, as well as technologies to support a low carbon economy.

The measures presented in this chapter can contribute to the fulfilment of SDG 1, SDG 2, SDG 3, SDG 6, SDG 7, SDG 9, SDG 11, SDG 12, SDG 13, SDG 14, and SDG 15.

⁹ Under Priority 5 - *Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors*, Focus Area (FA) 5D *Reducing greenhouse gas and ammonia emissions from agriculture*, Sub-Measure 4.1 *Investment in Agricultural Holdings* falls under Measure 4 *Investment in Physical Assets* and contributes to (FA) 2A *Improving the economic performance of all farms and facilitating farm restructuring and modernisation, notably with a view to increase market participation and orientation as well as agricultural diversification* and (FA) 5D *Reducing greenhouse gas and ammonia emissions from agriculture*.

3.2.2. Energy

REFORMS AND INVESTMENTS IN THE NRRP

The relevance of the energy domain for ensuring a more sustainable future is reflected *extensively* in the NRRP, mainly through the dedicated component - Component 6 Energy, where flagship reforms are found, as well as through Components 5 and 10 of the NRRP. NRRP also includes significant investments in the energy efficiency of public and private buildings and related efficient use of resources, as set out in Component 5 - *Renovation Wave* and Component 10 - *Local Fund for green and digital transition* and measures to facilitate private investment in the industrial sectors, provided under Component 6 - *Energy*.

In the timeframe **Q2/2022 - Q1/2023**, measures were implemented to advance decarbonization objectives and promote investments in renewable energy, as well as to increase energy efficiency, in accordance with the objectives established by the Renovation Wave, as follows:

- **Approval and entry into force of the relevant legislation on the decarbonisation of the energy sector** (entry into force of Law No 334/2022 for the approval of GEO No 108/2022 with subsequent amendments and completions);
- **Promotion of energy efficiency investments in industry**, by *MEn Order No 658/2022 approving the State Aid Scheme for supporting investments in modernization, monitoring and efficiency of energy consumption for economic operators, to ensure energy efficiency in the industrial sector*, and *MEn Order No 659/2022 approving the Specific Guide for accessing funding*;
- Conclusion of contracts for the **construction of at least 100 MW new electrolysers capacity**;
- Conclusion of contracts for **high-efficiency gas cogeneration and central heating projects**;
- Entry into force of the amendments brought to legislative framework in place on the **increase in the energy performance of residential buildings**, through *GEO No 31/2022 amending and supplementing GEO No 18/2009 on increasing the energy performance of housing blocks*;
- **Promoting renovation and integrated renovation investments to ensure energy efficiency** (seismic consolidation and energy efficiency) for residential and public buildings, by launching dedicated calls and funding.

Information also available in Annex II regarding the FENIX database

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OTHER MEASURES (in addition to NRRP)

Key directions:

- ✓ Reducing overall reliance on fossil fuels;
- ✓ Expanding sustainable energy production and developing renewable energy sources;
- ✓ Modernizing energy transmission grids and increasing regional interconnection;
- ✓ Increasing the energy efficiency of buildings and accelerating the renovation pace.

Additional information available in Annex I regarding the CeSaR database.

Romania continues to act towards the gradual replacement of coal in the energy mix. In addition, new investments are expected for the development of the energy infrastructure in general, with focus on the electricity and natural gas transmission networks, in order to strengthen the interconnection with the regional and European energy markets.

At the same time, measures to increase the production, distribution and consumption of renewable energy, as well as those for increasing the energy efficiency of buildings, are being intensified, to ensure the transition to a green and resilient built stock.

Reducing overall reliance on fossil fuels

For a successful implementation of the energy decarbonization process and to achieve the objectives agreed at the EU level, **the following key elements/measures are worth mentioning:** the decision to eliminate coal from the energy mix; the preparation for hydrogen of natural gas energy groups by making new investments, but also investments targeting nuclear groups (re-engineering of Unit 1 and completion of Units 3 and 4 of the Cernavoda CNE project); investments in the transport and distribution infrastructure to increase the share of renewable energy by increasing the network connectivity capacity.

The main measures taken so far concerned the following: **(1)** Adjustment of the general legal framework for the phased removal from the energy mix of lignite and coal based electricity production¹⁰; **(2)** Launching of *Contracts for Difference* (CfD), as the main support mechanism for investments in renewable energy production, together with other complementary investments (e.g. new investments provided for the Complexul Energetic Oltenia Restructuring Plan).

In order to **decrease the dependence on fossil energy sources in the economy**, new priority axes were included in the LIOP 2014-2020: PA 10, SO 10.2 and PA 11, SO 11.1 and SO 11.2. The measures promote energy efficiency and the use of renewable energy sources to cover companies domestic energy consumption (SMEs, micro-enterprises, large enterprises). In addition, these measures help to promote the use of renewable energy sources, at territorial administrative divisions (TADs) level, both for domestic consumption and for feeding in the energy thus generated into the national power grid.

The *Environment Fund* supports the attainment of the objective concerning the fast development of **the national infrastructure for alternative fuels**. To that end, the following programmes are implemented: **(1)** The *Programme for Development of Electric and Plug-in Hybrid Electric Vehicles Charging Infrastructure for Highways, European Roads and National Roads* (programme's guide is currently being developed); **(2)** The *Programme to Reduce Greenhouse Gas Emissions from the Transport Sector by Promoting the Infrastructure for Clean Road Transport Vehicles: Charging Stations for Electric Vehicles in the County Seat Municipalities*; **(3)** The *Programme for Reduction of Greenhouse Gas Emissions from the Transport Sector by Promoting the Infrastructure for Clean Road Transport Vehicles: Charging Stations for Electric Vehicles in Localities*; **(4)** The *Programme for Development of Electric and Plug-in Hybrid Electric Vehicles Charging Infrastructure in Localities, by Installing Normal Power Recharging Stations*.

Projects aimed at **increasing energy efficiency in SMEs and large enterprises** will be financed through SDP. These will be carried out through financial instruments (which include a grant component) and encompass pilot projects and support measures for the use of renewable energy sources.

Thus, the investments will consider the efficiency of technological processes and the achievement of energy savings at enterprise level by: replacing equipment, re-engineering/modernizing, monitoring and optimizing energy consumption of economic operators, as well as the use of energy produced from renewable sources, to exclusively ensure the enterprises' own

¹⁰ By GEO No 108/2022 on the decarbonisation of the energy sector, with subsequent amendments and completions

consumption.

Interventions included in SO 2.1 *Promoting Energy Efficiency and Reducing Greenhouse Gas Emissions* are supported by the SDP. For Motru Municipality, SDP will also finance the replacement of the coal and fuel oil-based thermal power plant with natural gas based high-efficiency cogeneration plant.

Within the six priorities, JTP provides actions to mitigate the socio-economic impact of the transition to climate neutrality and to energy sources other than fossil fuels, in the most affected areas (Gorj, Hunedoara, Dolj, Galati, Prahova and Mures Counties). In terms of mobility, JTP supports the development of green public transport, through the acquisition of clean vehicles and charging stations necessary for public transport services, facilitating the access to professional training and employment opportunities.

At the same time, the aim is to promote the use of non-polluting and energy-efficient road transport vehicles. The following programmes are financed from the Environment Fund: (1) *The Programme for Stimulating the Renewal of the National Car Fleet (RABLA Classic Programme)*; (2) *The Programme for Reducing Greenhouse Gas Emissions in Transport by Promoting Clean and Energy-Efficient Road Transport Vehicles (RABLA PLUS Programme)*; (3) *The Programme for Improving Air Quality and Reducing Greenhouse Gas Emissions by Using Less Polluting Vehicles for Student Transport - electric-hybrid, pure electric and CNG minibuses*; (4) *The Programme for Scrapping of Used Vehicles (RABLA LOCAL Programme)*.

Expanding sustainable energy production and developing renewable energy sources

In order to increase the production and consumption of energy from SRE, a series of legislative and financial measures were adopted such as: (1) Establishment of rules for the regulation of renewable energy communities, criteria for sustainability and reduction of greenhouse gas emissions for biofuels, bio liquids and biomass fuels, cooperation mechanisms, etc. (through *GEO No 163/2022 supplementing the legal framework on the promotion of the use of energy from renewable sources and amending and supplementing certain regulatory acts*); (2) Development of the legal framework on the functioning of the Contracts for Difference (CfD) financing mechanism (the CfD mechanism was pre-notified to the EC) and the approval of the state aid scheme operating through CfD for the production of electricity from onshore wind and solar renewable energy sources; (3) Development of new renewable energy - onshore and offshore wind/ solar generating capacities; (4) Establishing a favourable and attractive investment climate aimed at supporting investments in new low-carbon production capacities; (5) Stimulating investments in new capacities with low emissions of natural gas, RES - wind and solar, hydrogen - electrolytic production capacities, batteries, biofuels, consolidation and modernization of the transport grid, with a view of taking over the production of renewable energy in the system; (6) Financing by the Modernization Fund of key programs for priority sectors, including RES in the electric power sector and RES in the heating and cooling sector.

In order to develop the distributed power generation from renewable sources in power plants with an installed power of up to 400 kW belonging to prosumers, measures have been implemented to facilitate the integration of renewable energy production in the electric power transmission and distribution networks. Moreover, new mechanisms have been implemented for quantitative compensation/ financial adjustment between the electricity consumed and the electricity generated and delivered to the power grid by the prosumers. At the same time, the entire consumption of electric power generated from renewable sources was exempted from the obligation to purchase green certificates. Moreover, the regulatory framework for active customers consuming/storing/selling their own produced energy is to be implemented as from 2023.

The *Environment Fund* continued to finance the following programmes for the promotion of renewable energy sources (RES): (1) *The Programme for the Installation of Photovoltaic Panels for Electricity Production to Cover the Required Consumption and to Deliver the Surplus to the National Grid, for the Bucharest - Ilfov Region (the so-called Green Photovoltaic House)*; (2)

The Programme for the Installation of Photovoltaic Systems for Remote Households - natural person beneficiaries.

Measures to stimulate the production and consumption of energy from SRE continued to be funded from structural and cohesion funds and EEA and Norway grants: (1) *The Programme for the Installation of Photovoltaic Panels for Electricity Production to Cover the Required Consumption and to Feed the Surplus to the National Power Grid for Seven Development Regions of Romania (funded by ROP)*; (2) Investments to Support the Power Generation from Less Exploited Renewable Resources (i.e. biomass, biogas, geothermal) (LIOP SO 6.1.) both for the Production sector and for the Distribution sector; (3) Supplementing the funding measures for RES power generation (funding from LIOP PA 10, SO 10.2 - with 100% financing from ERDF REACT EU - and from LIOP PA 11, SO 11.1 and SO 11.2 - with 85% financing from CF). (4) *The Programme for Renewable Energy, Energy Efficiency, Energy Security* (funded by EEA and Norway Grants 2014-2021).

Within the framework of the SDP and the RP, interventions included in SO 2.2, pilot interventions in rural communities for high-efficiency heating systems based on fuels from renewable resources, available at local level (solar, wind, geothermal, hydroelectric, biomass, etc.), and SO 2.1 *Promoting Energy Efficiency and Reducing Greenhouse Gas Emissions* are supported.

SDP will continue to support the LIOP measures that consider investments in new capacities or in the modernization of available biomass/biogas electricity/thermal energy production capacities and in new capacities or in the modernization of thermal energy production capacities from geothermal water.

In order to advance investments in the field of renewable energy, the applicant's guides for project calls to be launched starting from Q2 - Q3/2023 were submitted to public consultation for the Regional Programmes (RPs) South-East, South Muntenia, North-West, West, South-West Oltenia, and Centre.

Under Priority 3 - *A Region with Environment Friendly Localities*, RP Nord-West supports the installation of alternative energy production systems from renewable sources for domestic consumption, in residential and public buildings that will be the subject of energy efficiency projects, to be launched in 2023.

Through the RP Centre, a series of project calls will be launched in 2023 aiming at improving energy efficiency and reducing pollution in urban areas. These calls include measures that contribute to increasing the share of renewable sources, including biomass in building energy consumption (support for increasing the RES share will complement the main investment in pure energy efficiency measures; investments in bioenergy will be accompanied by measures to reduce atmospheric pollutant emissions caused by biomass burning, especially suspended particulates, and will not undermine compliance with air quality standards established by Directive 2008/50/EC).

Under the JTP, the action for *Green Energy Access and Non-Polluting Mobility* supports the installation of photovoltaic/photothermal panels in households, in the context of the European Solar Rooftops Initiative, which will contribute to the development of energy communities. The operations also aim to increase the energy resilience of communities through investments in the development of small-scale capacity for the production, transportation, and storage of renewable energy (photovoltaic, wind or geothermal, including heat pumps) necessary for public buildings such as schools, hospitals, nursing homes, day-care centres, social services, vocational training centres, and more, without compromising the principle of promoting community care services.

[Modernizing energy transmission grids and increasing regional interconnection](#)

To increase the interconnection capacity of the national electricity transmission system and reach the assumed level of interconnectivity, *the 2022-2031 Power Transmission Grid*

Development Plan (RET) was approved¹¹ in 2022. This plan includes investment projects to ensure alignment with the targets set in the Integrated National Energy and Climate Plan (NECP) regarding the degree of cross-border interconnection and the integration of renewable energy capacity. Thus, through the planned investment projects, the interconnectivity level is expected to reach 27.7% in 2026 and 31% in 2031, with renewable energy capacity integration potential of 8,000 MW (4,500 MW wind and 3,500 MW solar) in 2026, and 10,400 MW (5,300 MW wind and 5,100 MW solar) in 2031.

To achieve the level of interconnectivity undertaken in the *2022-2031 Power Transmission Grid Development Plan (RET)*, the following projects of common interest (PCIs) are planned (construction projects of 400 kV Overhead Power Lines (LEA) - 400 kV LEA - currently in the implementation phase): (1) 400 kV LEA double circuit Resita (Romania) - Pancevo (Serbia); (2) 400 kV LEA Portile de Fier - Resita and construction of a new 400 kV station in Resita; (3) 400 kV LEA double circuit Resita - Timisoara - Sacalaz - Arad, including the construction of 400 kV stations in Timisoara and Sacalaz and the expansion of the 400 kV Arad station; (4) 400 kV LEA double circuit Cernavoda - Stalpu, with an input/output circuit in Gura Ialomitei; (5) 400 kV LEA double circuit Smardan - Gutinas (one equipped circuit).

Regarding interconnection with the energy system of the Republic of Moldova, the 400 kV LEA project Suceava (Romania) - Balti (Republic of Moldova) is currently underway.

A series of Projects of Common Interest (PCI) are currently underway, listed on the fourth approved list by the EC under Delegated Regulation (EU) No 2020/389. These projects include strengthening the electricity network in the region to eliminate congestion both in the East-West direction at the border with Hungary and Serbia, and in the North-South transit direction, by strengthening the Portile de Fier - Resita - Timisoara - Arad corridor (transferring from 220 kV to 400 kV), and the renewable energy power evacuation corridor in the South-East Romania.

For the development of the national gas transmission network, the *2022-2031 Development Plan of the National Natural Gas Transmission System*¹² was approved in 2022. This plan includes major investment projects aimed at reconfiguring the natural gas transmission network by ensuring an adequate degree of interconnectivity with neighbouring country systems, contributing to the creation of an integrated single market at the EU level, as well as natural gas transportation routes to connect the Central European Markets with new supply sources from the Caspian Sea, including offshore areas in the Black Sea. Thus, for the implementation of the strategic objectives, projects in various stages of completion are implemented with the aim to interconnect or increase the bidirectional flow transport capacity with Hungary, Bulgaria, Moldova, and Serbia.

According to the Plan aforementioned, major projects estimated at around 3.55 billion euro are expected to be funded. Proposed projects include: (1) the *Development on the Romanian soil of the National Gas Transmission System on the Corridor Bulgaria - Romania - Hungary - Austria (BRUA)*; (2) the *Development of the Southern Transit Corridor on the Romanian soil for taking over the natural gas from the Black Sea*; (3) *Romania's Interconnection Project with Serbia*, in the direction Arad-Mokrin; (4) the *Project for Development/ Modernization of the Natural Gas Transport Infrastructure in the North-West Romania*; (5) the *Project for Increasing the Natural Gas Transmission Capacity of the Romania-Bulgaria Interconnection on the Giurgiu-Ruse Direction*; (6) the *Project for SMG Isaccea 2 and SMG Negru Voda 2 Modernization to achieve bidirectional flow on the Transit 2 pipeline*, at the border with Ukraine and Bulgaria; (7) the *Project for Modernisation of the Isaccea 3 and Negru Voda 3 Natural Gas Metering Station (SMG) to achieve Bidirectional Flow on the Transit 3 Pipeline*, at the border between Ukraine and Bulgaria, part of the Trans-Balkan Corridor.

With financial support from LIOP, PA 8, measures are being implemented as follows: (1) Through SO 8.1 the *Project LEA 400kV double circuit Gutinas-Smardan* is funded, with NATIONAL

¹¹ Decision of the President of ANRE No 1947/2022

¹² Decision of the President of ANRE No 1944/2022.

ELECTRICITY TRANSMISSION COMPANY "TRANSELECTRICA" SA as beneficiary, which will increase the SEN capacity to transport energy produced in the Black Sea area to consumption and storage centres in the rest of the country and then further to Central-Eastern Europe; (2) Through SO 8.2: (i) The *Project for National Transmission System Developments in North-East Romania to improve the natural gas supply of the area and to ensure transmission capacities to the Republic of Moldova* is funded, having THE NATIONAL GAS TRANSMISSION COMPANY "TRANSGAZ" S.A. as beneficiary. 165.15 km of gas transmission pipeline will be constructed and commissioned, leading to an increase in the transmission capacity of the National Natural Gas Transmission System at the interconnection points from 14.35 billion m³/year to 20 billion m³/year. This project sets the prerequisites for the emergence of a new market for current and future natural gas resources from conventional exploitations in Romania and for off-shore reserves in the Black Sea, and makes its contribution, by adapting flow requirements to provide gas flow in both directions to and from the Republic of Moldova, to the final outcome on the development of a common energy market in Europe; (ii) A new call for applications was launched for *Increasing the Degree of Interconnection of the National Natural Gas Transmission System with other Neighbouring States*, aimed at reaching the 2023 target (336 km) of the indicator "the length of smart gas transmission and distribution networks". By 31 December 2022, 25 contracts amounting to 326.61 million euro were signed, all projects being in the implementation phase.

SDP, with a total allocation of 5.25 billion euro, will support the development of intelligent energy systems and networks, to ensure the introduction of intelligent metering systems, which can be subject to economic costs evaluation and long-term benefits for the market and end consumers.

In addition, SDP will finance the conversion, modernization and expansion of gas transmission and distribution networks, for the inclusion of renewable source gases and low carbon emission gases in the system, through technical solutions to facilitate a phased approach, to stimulate decarbonisation, while contributing to the energy efficiency of the network, energy security and regional market integration.

[Increasing the energy efficiency of buildings and accelerating the renovation pace](#)

Romania continues its efforts towards developing and implementing a long-term vision for renovating and increasing the energy efficiency of buildings, while also ensuring the transition towards a green and resilient building stock.

In this regard, the implementation of the **National Long-term Renovation Strategy until 2050**, approved in 2020, will be pursued, along with the complementarity with the measures from Component 5: *Renovation Wave* from NRRP. To include the 2030 Action Plan as an integral part of the Strategy, GD No 1034/2020¹³ was amended and supplemented by GD No 10/2023.

To achieve the transition towards a green and resilient building stock, the regulatory framework has been streamlined through: (1) Approval of a new package of technical regulations in the nZEB building field (November 2022); (2) Approval of the *Guide for carrying out integrated intervention works on multi-family residential and public buildings* (December 2022), and (3) Revision of the *Methodology for calculating the energy performance of buildings* (January 2023).

In order to increase the energy efficiency of buildings and improve living quality, the following programmes/projects are being carried out: (1) *The Multi-annual District Heating Programme*; (2) *Increasing the energy efficiency of residential and public buildings and public lighting systems* (with ROP financing); (3) *The Multi-annual National Programme on Increasing the Energy Performance of Apartment Buildings*; (4) *National Programme to Consolidate Buildings with High Seismic Risk*.

Under ROP, a package of measures aimed at increasing the energy efficiency of residential and

¹³ GD No 1.034/2020 for the approval of the National Long-Term Renovation Strategy to support the renovation of the national residential and non-residential building stock, both public and private, and its gradual transformation into a real estate park with a high level of energy efficiency and decarbonization by 2050

public buildings and public lighting systems is implemented, with an allocation of 793.25 million euro from ERDF earmarked for the entire period.

Renovation interventions and energy efficiency improvements of buildings are supported under *RP SO 2.1 Promoting energy efficiency and reducing greenhouse gas emissions*. Thus, RP finances investment projects at the regional and local levels that mainly target the following priorities: (i) Interventions measures that comply with the energy efficiency criteria of the current residential and public building stock, using cost-optimal retrofit packages that will enable the renovated buildings to reach a specific energy performance level of class A, according to the *Energy Performance Certificate* (energy audit), and in the case of public buildings, measures that may also include additional investments in infrastructure (*RP Bucharest-Ilfov*); (ii) Interventions aimed at improving the energy efficiency of public buildings (including historic monument), and residential buildings (Action 2.1) to achieve a class A energy performance level according to the *Energy Performance Certificate* (*RP South-East*); (iii) Investments in multi-family residential buildings and public buildings aimed at improving energy efficiency (*RP North-East*); (iv) Energy efficiency of public buildings (energy renovation of buildings) and residential buildings (ensuring/ improving energy efficiency and increasing energy performance of residential buildings), measures contributing to increasing the use of renewable sources, including biomass, in the energy consumption of these buildings (*RP Centre*); (v) Investments to improve energy efficiency and increase the use of renewable energy sources in public buildings, including historic monuments, as well as investments in residential buildings (multi-family and individual houses) (*RP South Muntenia*); (vi) Actions to increase the energy efficiency of buildings as investment components in residential and public buildings (*RP North-East*).

With regard to energy and energy efficiency, the applicant guides for calls for projects to be launched in Q2 - Q3/2023 have been submitted to public consultation in RPs *South-East, South Muntenia, North-West, West, South-West Oltenia, and Centre*.

Funding of centralized thermal energy supply systems, respectively heating networks, including thermal points, is considered through SDP.

Under LIOP, for the objectives promoting the energy efficiency of buildings, the following programmes/ projects are still being implemented: *Modernization of the Centralized Thermal Energy Transmission and Distribution Systems in Certain Towns (LIOP SO 7.1 and SO 10.2 - REACT EU)*, and *Rehabilitation of the Heating System of the Bucharest Municipality (LIOP SO 7.2)*.

Through the *Environment Fund*, from the amounts resulting from the auctioning of GHG emissions certificates, the following programmes are funded: (1) *The Programme on supporting energy efficiency and intelligent energy management in public lighting infrastructure 2022*; (2) *The Programme on the performance of works aimed at increasing energy efficiency in single-family homes, natural persons beneficiaries*; (3) *The Programme on the increase of energy efficiency and the intelligent management of energy in public buildings*; (4) *The National programme for replacing used electrical and electronic equipment with more energy-efficient ones (generally known as RABLA ELECTROCASNICE)*; (5) *The Programme for constructing bicycle lanes (generally known as BICYCLE LANES)*.

The measures presented in this chapter can contribute to the fulfilment of SDG 6, SDG 7, SDG 9, SDG 11, SDG 12, SDG 13 and SDG 15.

3.3. Digital transformation

Digital transformation represents the second pillar around which the NRRP structure was developed, by attaining this objective one aims at setting out the prerequisites for integration of digital technologies in all sectors and fields of activity, as well as at increasing the degree of transparency of the institutions' activity in relation to the citizen and cutting red tape. The crosscutting nature of the digital transformation goal is also considered by including the relevant measures in all 15 components of the NRRP. The digital transformation is addressed within both a dedicated component - the *Component 7 - Digital Transformation* and other components of NRRP with focus on the Components 8, 9, and 10.

In the timeframe Q2/2022 - Q1/2023, several measures were implemented on digitalisation of public administration to promote the modern digital public services and to remove the bureaucratic barriers, as follows:

- Entry into force of the legislation on governing the cloud services for public administration - *GEO No 89/2022 on the establishment, management and development of infrastructures and cloud IT services used by public authorities and institutions*;
- Signing of the financing agreements related to *The implementation of the Governmental Cloud Infrastructure* project (30 September 2022);
- Establishment of the legislative framework on interoperability, by entering into force of the new law on interoperability - *Law No 242/2022 on the exchange of data between IT systems and the development of the Romanian National Interoperability Platform*;
- Defining new digital occupations - the Joint Order of MMSS and INS No 1348/784/2022;
- Launching of the public tender conceived to *authorizing telecommunications operators to award 5G licenses* (19 September 2022);
- Granting the rights to *use the radio frequency spectrum*, subsequent to the completion of selection procedure (15 November 2022);
- Progress made in *implementing electronic customs* - acquisition of hardware-software infrastructure to that end;
- Entry into force of the legislative amendments aimed at systematizing, streamlining and fully digitalising enterprises related procedures: *Law No 265/2022 on the Trade Register and amending and supplementing other legal instruments applicable to the registration with the Trade Register and the GO No 18/2022 on the authorization and operation in Romania of foreign companies' and economic organisations offices*;
- Signing the supply agreements for the provisioning of Intelligent Transportation Systems (ITS)/ other ITC infrastructures related to the Investment 1. Sustainable Urban Mobility.

Information also available in Annex II regarding the FENIX database.

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Other measures (in addition to NRRP)

Key directions:

- ✓ **Digital transformation of public administration**
- ✓ **Cyber security**

✓ **Strengthening and expanding digital infrastructure**

✓ **Digitalisation of SMEs**

Additional information available in Annex I regarding the CeSaR database

Digital transformation remains a key priority of the Romanian Government, including from the perspective of reaching by each EU Member States and by the end of this decade of the objectives¹⁴ of *The Digital Decade policy programme 2030 -The "Path to the Digital Decade"*, adopted by the Council of the EU on 8 December 2022.

Therefore, in the long term, the strategic impact of digitalisation meant to attain a synergy between the key elements that define Romania's digital ecosystem, and the **priority objectives are to develop a proper framework for innovation, economic and social progress, for key skills development as well as for added value by digital tools and technologies**. Special attention will be paid to the exploitation of the digitalisation potential of the Romanian companies and institutions, and to enhance the use of digital tools.

Policies are targeted to ensuring a digital ecosystem capable to operate, innovate and share services and innovative digital products for the benefit of society and the economy. The information on **digital education and competences** are presented both in the related chapter (3.8) as well as in *Annex I*.

Moreover, **improving the cybersecurity** is also a constantly pursued objective. The new virtual challenges deriving from Ukraine crisis, as well as one of the consequences of the pandemic consisting in the translation of many activities in cyberspace, are grounds for tackling cyber security in a vigilant manner, including measures to counter cyber threats and all types of cyber-attacks.

With regard to the **electronic communications infrastructure**, the Government's strategic objectives for the period 2021-2024 aim mainly at **boosting investments in the sector and increasing connectivity at the national level**. Adoption of measures designed to effectively respond to the needs of increasing connectivity, faster integration of new communication technologies and stimulating investments working with speeding-up the digital transformation of the whole society are considered.

Digital transformation of the public administration

Along with the major projects being implemented under the NRRP, such as setting up the interoperability and governmental cloud, new related initiatives have been launched, and the implementation of some relevant projects aims at providing digitalisation of services provided by various central institutions carry on.

In view to contributing to the elaboration and implementation coordination of the strategies, public policies and governmental programmes, playing an important role in applying the "Romania of the Future" concept, the following bodies were established/continue to be operational: with decision-making role - *the Committee for e-Government and Bureaucracy Reduction*¹⁵ (CERB); the *Honorary Council for Science, Innovation and Technology* with a consultative role was launched on 27 December 2022; the *Consortium of NGOs* which provides consultancy to CERB is to be established (the NGOs enrolment process ended on 20 February 2023); the *National Council for Digital Transformation - CNDT*¹⁶, whose activity was resumed on 29 June 2022 (aiming at making use of the private and academic know-how); with supportive role in issuing specialized opinions - the *Technical-Economic Committee for the Information*

¹⁴ These objectives cover four areas of intervention: *Digitalisation of public services; Secure and sustainable digital infrastructures; Digital transformation of enterprises; Strengthening digital skills and digital education.*

¹⁵ Established on 24 May 2021, by the Decision of the Prime-Minister of Romania No 331/2021

¹⁶ Set up according to GD No 89/2020 on organization and operation of the Authority for Digitalisation of Romania

Society - CTE¹⁷ (in 2022, the CTE held 48 ordinary meetings, issuing 241 opinions).

The implementation of the strands of action provided for in the *Strategy Paper for digital governance and management of electronic public services in public administration-the Public policy in e-Government*, adopted by the Government on 3 June 2021 continues.

To strengthen the administrative capacity and to streamline the digital transformation of the public administration, the following projects are under implementation: (a) the *Digital Transformation of the Romanian public administration*, (b) the *Strategic framework for the adoption and use of innovative technologies in public administration 2021-2027 - solutions for streamlining the activity* (SIPOCA 704) and (c) *Developing the administrative capacity in the field of public governance - a coordinated approach of the centre of the Romanian Government*, through the Digital Governance component.

In accordance with the measures on streamlining the administrative procedures applicable to the citizens by using the e-Government services, the Law No 9/2023¹⁸, through which the obligation of citizens to submit certified copies of their official documents/papers issued by the public institutions is cancelled, replacing them with the Certification of conformity by the relevant civil servant.

Furthermore, another aim is to constantly improve e-government IT systems designed to increase the access of citizens to public services and to reduce administrative burden: (a) the *National Electronic System SEN* (www.e-guvernare.ro); (b) the *Electronic Public Procurement System - SEAP* (www.e-licitatie.ro); (c) the *Electronic Award System in Transport* (www.autorizatiiauto.ro); (d) the *National Tax Payment Electronic System - SNEP* in which payment with bank cards is accepted (via www.ghiseul.ro); (e) *the National Trade Register Office online services portal* (<https://portal.onrc.ro>); (f) *PatrimVen Service* (<https://epatrim.anaf.ro/>); (g) *Virtual Private Space online platform* (https://www.anaf.ro/anaf/internet/ANAF/servicii_online/inreg_inrol_pf_pj_spv); (h) the *IMM RECOVER platform*, developed in the context of the pandemic, provides with the physical, virtual and software infrastructures needed to take over and manage calls for projects from non-reimbursable external funds (<https://granturi.imm.gov.ro/#/home>).

With regard to the electronic platform - *Ghiseul.ro*, as from 1 February 2023, another important feature was integrated - *the issuance of the electronic criminal record certificate for natural persons*¹⁹. By July 2023, the aim is to expand this service both for natural persons with records in their criminal record, as well as for legal entities in Romania. The same document could be also obtained by means of the electronic platform - <https://hub.mai.gov.ro/>. Moreover, on 31 January 2023, the *Ghiseul.ro mobile application* was launched, representing both a cutting edge digital technology and the most secure, modern, fast and accessible digital solution for paying public taxes and fees. The application provides its users with all the functionalities of the Ghiseul.ro web platform.

As a virtual space for facilitating the dialogue between central, regional and local public authorities, universities and public research-innovation institutes, civil society and citizens, the *Mirror Mission Cities Hub Romania* was established on 1 August 2022 to provide support to the three selected cities and municipalities (Cluj-Napoca, Suceava and Sector 2 of the Municipality of Bucharest) within the *EU Mission - 100 smart and climate-neutral cities by 2030*.

The Law No 179 of 9 June 2022 on open data and the reuse of public sector information was adopted and it transposes Directive (EU) 2019/1024 on open data and the re-use of public sector information.

¹⁷ Established in accordance with the GD No 941/2013

¹⁸ For amending and supplementing GEO No 41/2016 on the establishment of simplification measures at central public administration level and amending and supplementing some normative acts

¹⁹ The number of natural persons who annually request the criminal record certificate is around 2 million. This procedure is designed to those persons registered in the records of the National System of Evidence of the Romanian Judicial Record - ROCRIS.

As regards the **electronic identity**, one of the specific pillars of the digitalisation, the implementation of the project **Digital Identity Centralized Software Platform** concluded by the ADR in September 2020, according to the GD No 1606/2022, continues until its completion deadline i.e. 31 August 2023. Another important project aiming at attaining the same objective, **Integrated Information System for the issuance of Civil Status Documents - SIIASC**, is under implementation.

Other projects aiming to **increase the use of e-Government systems** are: 1) the *Technological interoperability system with the EU Member States - SITUE*; 2) the *ONRC consolidated and interoperable integrated electronic system designated to e-Government services focused on life events*; 3) the *National Management System on Disability (SNMD)*; 4) *MMPS - SII MMPS Services Hub*; 5) *MAI Service Hub (electronic services provisioning centre)*; 6) two projects of the Ministry of Foreign Affairs: *Integrated Electronic Management System for Travel Documents (ePass)* and 7) *Integrated system of personalized alerting and permanent updating of risk indicators for travel destinations of citizens*; and 8) the *National Electronic System for Adoption- SINA* project.

For a better integration of e-government services for business and citizens into the National Electronic System (SEN), the **Single Electronic Contact Point - PCUe** platform is operational (<https://edirect.e-guvernare.ro/SitePages/landingpage.aspx>) and continues to be developed by the financial supported granted by ADR through the *E-government services - PCUe* project, started in June 2021 (implementation deadline: June 2023). PCUe will provide with **integration with the PSCID IT related system** and the interoperability HUB.

As an important support measure for **improving the digitalisation of the public institutions**, on 23 December 2022, the Government approved the **Joint Order²⁰ No 21813/ 6421/ 2246/ 4433/ 2022 on the classification of the activity of developing software programmes by the public employees conducting such activities**, by which this category of public employees benefit too from the income tax exemption applied to their wages and related income.

The development of an IT system to simplify the authorization and inspection procedures in tourism has been started, not only by facilitating the submission of the documentation electronically, but also by obtaining documents directly from the releasing authorities, no extra effort of economic operators being thus required, under the project **Streamlining the authorisation and inspection of economic operators by implementing a dedicated integrated IT system (SIPOCA 595)**, implemented by MAT (budget: 11.79 million lei, implementation deadline: 9 December 2023). The related database will be interconnected with other national systems, such as the ones of ANAF, ONRC, PCUe or REVISAL.

In terms of **developing and use of the Artificial Intelligence (AI)**, some progress has been made. On 11 November 2022, the *Memorandum on the establishment of the Romanian Committee for Artificial Intelligence and some Initiatives on the Artificial Intelligence in Romania* was adopted, under the patronage of the Prime-Minister of Romania, with the technical secretariat provided by MCID. The Committee members will be allocated as follows: the *Scientific and Ethics Council in Artificial Intelligence*, the *Artificial Intelligence Education Council* and by *thematic working parties*. Moreover, the Committee will collaborate with the *Interinstitutional Committee for the elaboration of Romania's Artificial Intelligence Strategy* (the "Committee"), approved by CSAT²¹ Decision No 148/ 2022, with the aim of coordinating the elaboration of *Romania's AI Strategy* and the related *Action Plan* at the national level. The development of the *Strategic Framework on the use of Artificial Intelligence (AI)* is also considered. The elaboration of the *Strategic Framework regarding the use of Artificial Intelligence (AI)* is also considered, as an important objective of the project *Strategic Framework for the Adoption and Use of Innovative Technologies in Public Administration 2021-2027 - solutions for a more efficient activity (SIPOCA 704)*.

Interventions and actions aiming at attaining **the digital transformation of public**

²⁰ By MF, MCID, MMSS and MEd

²¹ The Supreme Council of National Defence

administration are envisaged in the Intelligent Growth, Digitization and Financial Instruments Programme (SGDFIP), as well as in RPs.

SGDFIP supports activities aiming at developing digital applications for new/significantly improved public services for the benefit of citizens and businesses.

Regarding the *measures on digitalisation* envisaged in the RP, the applicant's guides for the call of proposals related to the RP South Muntenia²² are subjected to public consultation as of 9 February 2023 (projects call is to be launched from Q2/Q3 2023), as well as those related to the RP Centre²³ which were subjected to public consultation as of 11 April 2023 (three calls for proposals are planned for 2023).

A strategic objective foreseen in the RPs aims at the setting up of **Regional Data Centres**.

By RP North-West²⁴, the **development of innovative digital solutions and smart city applications** (which include the establishment of a regional data centre) as well as the digitalisation of Local Public Administrations in the rural areas are foreseen (the launch of the calls for proposals is expected in Q4/2023). In addition, RP South Muntenia shall finance investments in the development of relevant and necessary IT infrastructure, services and equipment (including the *South Muntenia Regional Data Centre*), as well as the acquisition, developing, testing and piloting of digital solutions and applications (PaaS, SaaS, etc.). RP South-East will finance the digitalisation of local public services in an integrated framework, through the development of a Regional Data Centre.

Moreover, interventions on *developing the new digital public services, integrated towards the private business, citizens and the local community*, are included in RP North-East (Priority 2 A *more digitalised region*)

Additional information on to digitalisation projects in the **labour market and social services fields** are available in Chapter [3.5. Employment and social policies](#).

Digitalisation in the fiscal field is addressed in Chapter [3.1. Fiscal and budgetary policy and financial stability](#).

Digitalisation in the health field will ensure the integration between the various national information systems, standardization and accurate data collection, patient's access to own data, and quality digital medical services. Additional information is available in chapter 3.6. [Health](#).

Cyber security

On 13 December 2022, *Law No 354 on the protection of information systems* regulating the legal and institutional framework needed to prohibit the acquisition and use by Romanian public, central and local, authorities and institutions of anti-virus software products from the Russian Federation was promulgated.

Efforts to **strengthen administrative and operational capacity of the National Cyber Security Directorate (DNSC)** continue, including by the implementation of two dedicated projects. These projects aim at increasing the security level of the national cyber space (public institutions, private companies, individual users), as well as at ensuring the national capabilities for prevention, identification, analysis and reaction to cyber security incidents.

Projects aimed at **improving cyber security, privacy and personal data protection in ICT infrastructures** used in certain domains are under implementation, with the aim of increasing the awareness of some users of the virtual space, as well as at assessing and mitigating cyber security risks. DNSC also implements two projects financed by *CEF TELECOM*, three projects funded by *HORIZON 2020* and other three projects funded each by *Horizon Europe, Digital Europe* and *CEF Digital*.

²² Investment priority 2 A digital region

²³ Priority P1 *A competitive region through innovation, digitization and dynamic enterprises*

²⁴ Priority 2 A region with smart localities

Ensuring the cyber security of ICT systems and computer networks is being considered by implementing some projects by the *Protection and Guard Service (SPP)*, and by the *Romanian Intelligence Service*.

The development of advanced technologies in the field of cyber security is supported by SGDFIP by funding the measures designed for developing a platform using RDI and advanced technologies for detection and analysis of the latest generation malware, as well as the development of an antivirus solution that will use advanced methods of detection of malware applications based on artificial intelligence algorithms to prevent attacks with malware applications such as viruses, spyware, trojan horses, worms, adware or rootkits.

Strengthening and expanding digital infrastructure

The new legislative provisions transposed into the primary legislation by **Law No 198/2022** aim at stimulating competition and increasing investment in 5G networks, predictable regulations for radio spectrum, promoting connectivity as well as quality services and better protection of end users at EU level. The entry into force of the above-mentioned law provides the required conditions for publishing and organizing by ANCOM of the competitive selection procedure (call for tender) for the **long-term allocation of the available radio frequency spectrum** meant to stimulate the effective development of 5G technology in Romania.

The activities aimed at developing the strategic document on the public policy proposal in the field of broadband communications continue, as a result of the project *Establishing the reference framework on broadband network development in Romania*, which is implemented as from Q1/2019. This document aims to ensure a general strategic approach, based on a territorial analysis, on various instruments of intervention and financing of network development.

Law No 175/2022 on ensuring access of natural persons to fixed large bandwidth internet services which provides for a series of measures to be considered for adoption by central and local public authorities to stimulate expansion of electronic communications was adopted.

The Roadmap²⁵ transposing the *EU Connectivity Toolbox*²⁶ is under implementation, more related recommendations being already implemented (such as recommendations #2, #3 and #10 aiming at reducing the cost of deployment of physical infrastructures and installing electronic communications networks, as well as a series of recommendations aimed at ensuring timely access for mobile communications network operators and other users to the radio frequency spectrum necessary for the implementation of 5G technology).

Furthermore, two projects funded by state budget are under implementation i.e.: 1) one that aims to **connect primary and low-secondary schools and high schools in Ilfov county to a public electronic communications network** able to provide Internet services, at adequate data transfer rates and other quality criteria tailored to specific needs (budget: 0.2 million lei; implementation period: March - December 2023); 2) a project aiming at **connecting libraries to a public electronic communications network** able to provide Internet services, at adequate data transfer rates and other quality conditions tailored to specific needs (budget: 0.2 million lei; implementation period: April - December 2023).

Digitalisation of SMEs

In order to increase the degree of innovation of Romanian ICT products, three calls for proposals totalling 100 million euro within COP 2014-2020, Action 2.2.1²⁷ were launched, to finance SMEs. So far, 151 projects have been implemented.

Interventions and actions for the digitalisation of SMEs are envisaged within the RP, being included in the SO 1.2 *Capitalisation of digitalisation advantages, for the benefit of citizens*,

²⁵ The document is available at : <https://digital-strategy.ec.europa.eu/en/library/connectivity-toolbox-member-states-develop-and-share-roadmaps-toolbox-implementation>

²⁶ The document is available at: <https://digital-strategy.ec.europa.eu/en/policies/connectivity-toolbox>

²⁷ Supporting the increase of added value generated by the ICT sector and innovation in this domain through the development of clusters

enterprises, research entities and public authorities. Therefore, in the framework of the RP North-West, the Applicant's guide was submitted to public consultation, for the launch of related call for proposals as from Q3/2023.

At the same time, **the digitalisation of SMEs** can also be achieved through the development of **Digital Innovation Hubs** (which can be included in the **European Digital Innovation Hubs network - EDIHs**), aimed to be achieved through SGDFIP in correlation with the *Digital Europe Programme* (which will finance 50% of the eligible costs).

The measures presented in this chapter can contribute to the fulfilment of SDG 1, SDG 8, SDG 9, SDG 11 and SDG 16.

3.4. Competitiveness and business environment

3.4.1. Creating a favourable environment for public and private investments

REFORMS AND INVESTMENTS TARGETED BY NRRP

Support for the business environment is specifically addressed in PNRR in Components 8 - Fiscal reform and pension system reform, 9 - Business Support and RDI, and 11 - Tourism and culture in the NRRP.

In the timeframe Q2/2022 - Q1/2023, measures were implemented to strengthen the business environment, to develop tourism and the cultural sector, as follows:

- Entry into force of legislative amendments aimed at streamlining and ensuring the transparency and applicability of the SME test - *Law No 53/2023 for the approval of GEO no 10/2022 for the amendment and completion of Law No 346/2004 on stimulating the establishment and development of SMEs;*
- Selection of the scheme administrator within *Investment 3.2 Aid schemes for the private sector - de Minimis aid scheme to assist Romanian companies in listing on the Stock Exchange* by selecting MIPE as the administrator on 15 September 2022;
- Entry into force of GD No 856/2022 allocating the necessary funding of 500 million euro to support the expansion of national capacities up to the first industrial development and participation or association in a multinational project;
- Selection of at least 3 entities from the consortia participating in the call for project of the Key Digital Technologies Joint Undertaking (KDT JU);
- Entry into force of the legislative framework including a clear description of the funding mechanism to support the development of the Destination Management Organisations (DMOs) network and a clear governance model - *Law No 64/2023 for the approval of GEO No 86/2022 for the amendment and completion of OG No 58/1998 on the organization and development of tourism activity in Romania;*
- Signing the promotion agreements for 12 tourist/cultural routes;
- Development of the operationalization framework for the cycling routes at national level, through: the establishment of the National Velo Coordination Centre within the MDLPA (*GD No 321/2022 for the amendment and completion of GD No 477/2020 on the organization and operation of the MDLPA*), the elaboration of the *Study on the establishment, identification and territorial distribution of cycling routes at the national level*, the making of the integrated national eVelo Platform and the related smart mobile application, the signing of contracts on cycle routes;
- Entry into force of the act on the financing system of the cultural sector - *Law No 190/2022 for the amendment and completion of the Audio-visual Law No 504/2002, for the amendment and completion of GO No 39/2005 on cinematography, as well as for the amendment of Law No 41/1994 on the organization and operation of the Romanian Broadcasting Company and the Romanian Television Company.*

Information also available in Annex II regarding the FENIX database.

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OTHER MEASURES (in addition to NRRP)

Key directions:

- ✓ Developing the sectors with growth potential
- ✓ Supporting SMEs
- ✓ Supporting large companies and SMEs with a turnover of over 20 million lei;
- ✓ Improving the performances of public enterprises
- ✓ State aid schemes for supporting investments
- ✓ Supporting cultural and creative industries
- ✓ Other measures to improve the business environment

Additional information available in Annex I regarding the CeSaR database.

The Government's efforts aim to strengthen the business environment and increase the competitiveness of enterprises by enhancing productivity or the ability to provide services, as well as by stimulating the development of employee skills.

The improvement of the competitive environment and the business environment is considered, including through measures aimed at supporting SMEs or strengthening the policy in the field of state aid. It is also aimed at capitalizing on cultural heritage and tourism potential, which could have an important impact on the Romanian economy.

Developing the sectors with growth potential

The *Industrial Policy Document of Romania*²⁸, which sets out measures for improving the competitiveness of manufacturing sectors, for growth and employment, as well as the *Economic Atlas of Romania/EAR*²⁹, a very useful tool for the investors who wish to develop business in Romania, were launched in August 2022. The EAR³⁰ data can also be used to elaborate a development strategy, according to the poles of competitiveness identified through this new electronic system.

In December 2022, the *National Strategy for Competitiveness (NSC) 2021-2027* was subject to debate within the Interministerial Committee for Competitiveness (ICC) and, following the comments received, the final version was developed and retransmitted to the ICC for approval. Moreover, the tender for the acquisition of services needed for the elaboration, development and implementation services of the Portal of EAR was completed, and the contract which will extend the scope of the Atlas to the area of all users outside MEc is going to be concluded.

In order to increase the competitiveness of SMEs in competitive sectors mentioned in the 2015-2020 National Competitiveness Strategy (NSC)³¹ and the Regional development plans, through ROP, (P.I. 2.1 A), with a total budget of 1,056.5 million lei, financing of the *investment projects of micro-enterprises in the urban area* continues. Thus, by 24 March 2023, 3,010 financing agreements were signed (with an eligible value of 552 million euro).

Enhancing the competitiveness of the Romanian SMEs is closely related to the skills development and strengthening SMEs capacity. The SGDFIP provides with funding one measure complementary to the traditional one, namely the training/ specialization/ professional upskilling of human resources from SMEs and research entities involved in RDI & technological transfer activities to ensure the optimal transfer of knowledge and technology, as well as skills development training/upskilling human resource from enterprises in the areas of

²⁸ Document available on MEc website at: <http://www.economie.gov.ro/proiectul-dezvoltarea-capacitatii-institutionale-a-ministerului-economiei-cod-sipoca-7>

²⁹ With the related hardware and software infrastructure

³⁰ The AEC and the Industrial Policy Document of Romania were elaborated within the project *Increasing the administrative capacity of the Ministry of Economy* (SIPOCA 7 Code)

³¹ The competitive sectors pointed out in the SNC are: tourism and eco-tourism; textiles and leather; wood and furniture; creative industries; automotive and components industry; TIC; beverage and food processing; health and pharmaceuticals; energy and environmental management; bio-economy.

entrepreneurship and industrial transition (transition to Industry 4.0).

Within the framework of the *RP*, interventions and actions are provided to *strengthen the competitiveness of SMEs*³² and to *set-up and expand advanced production capacities*³³. As regards the other RPs, such as: *RP North-West, RP West, RP South-West Oltenia, RP North-East, RP South Muntenia* and *RP Centre*, *applicant's guides for calls for proposals* have been released for public consultation to be launched as from Q2 - Q3/2023.

Through *RP North-East*, the following activities are to be considered: modernization of micro-enterprises; investments in the sustainable growth of SMEs; start-up and spin-off projects for developing, validating and marketing of a minimum viable product (MVP). Interventions aimed at *increasing the competitiveness of SMEs*, by improving technical capacities (acquisition of equipment, technologies, innovative machines and investments in related facilities/services) are envisaged through the *RP North-West*.

In 2023, through *RP Centre*, *calls for proposals conceived for SMEs* are expected to be launched with the aim of technological investment in SMEs, Scaling Up for start-ups and micro-enterprises, as well as grants for investments in: (1) equipment needed for productivity growth and for production and service capacity development; (2) arrangements of facilities; (3) employees training.

By *RP South Muntenia*, investments to *enhance the sustainable growth and competitiveness of micro and small enterprises* are financed.

RP South-East will provide financing to *boost innovation activities and increase competitiveness of SMEs*, by means of construction/modernization and expanding the production/services premises, facilities, circular economy, by granting state aid and de minimis aid, as well as by using other financial instruments. It will also provide financing to *establish clusters* for networking, development, connection to platforms, collaboration, and for non-financial support of targeted SMEs.

Development of enterprises and entrepreneurship is envisaged as a separate action also in the JTP, which is designed to support the development of SMEs and social enterprises, the entrepreneurial initiative, including women and youth entrepreneurship, enterprise development, through business incubators/ accelerators/ industrial parks and other businesses support structures. Within the territory of 6 counties covered by JTP, fields of intervention that could contribute to the sustainable economic diversification of the regions were identified.

To address the challenge related to the small number and low performance of start-ups, the **SGDFIP** supports the establishment and operationalization of a single **Entrepreneurial Hub** structure.

To provide *support for investments in developing business incubators*, through ROP 2014-2020 (P.I. 2.1 B), by 24 March 2023, 39 financing agreements with an eligible value of 114.8 million euro were signed.

Interventions and actions for the *development of business incubators, industrial parks*, as well as *smart specialization parks* are also planned in the RP, subsumed to the SO 1.3 *Enhancing sustainable growth and competitiveness of SMEs and job creation in SMEs, including by productive investments*.

The *RP South Muntenia*, by its Priority 1 *A competitive region through innovation, digitalisation and dynamic enterprises*, foresees funding for investments designed to promote entrepreneurship by means of setting up, developing and operationalizing business incubators and industrial parks, including the provision of specialized services needed for the development

³² Included in the SO 1.3. *Enhancing sustainable growth and competitiveness of SMEs and job creation in SMEs, including by productive investments*

³³ Included in the SO 1.1 *Developing and enhancing research and innovation capabilities and adopting advanced technologies*

of resident companies (e.g. legal consultancy, access to financing, finding of partners, etc.) The RP South-East will finance the *development of the industrial parks, including their equipping, development of related services, as well as development and support of resident companies.*

A series of projects are further implemented under ***The Business Development, Innovation and SMEs Programme in Romania***, funded by the 2014-2021 EEA and Norway Grants (45 million euro), which aims to support the *launch of start-ups* in areas such as green innovation in industry, blue growth and ICT. Thus, 60 projects are contracted/under implementation, and another 17 projects have been fully implemented.

With the aim of finding solutions for supporting the development of the Romanian companies, the project *Quality and Performance Management within the Ministry of Economy for reducing the administrative burden and developing innovative SMEs (SIPOCA 716)* is under implementation. Within this project, a public policy document to support SMEs will be prepared.

Supporting SMEs

On the basis of *the Temporary Crisis Framework for State Aid measures to support the economy following the aggression of Russia against Ukraine*, several support mechanisms have been established to overcome the economic difficulties triggered by this crisis.

The state scheme aid ***SME INVEST PLUS*** and its six components - ***SME INVEST ROMANIA, AGRO IMM INVEST, SME PROD, GARANT CONSTRUCT, INNOVATION and RURAL INVEST*** approved by GEO No 99/30 June 2022 and amended by GEO No 180/2022 is under implementation. The objective of the sub-programmes consisting in granting loan guarantee facilities by the state to the SMEs and mid-cap small businesses. The state aid support could be granted *as loan guarantees and as grants.*

In addition, **financial support as grants from external non-refundable funds**, by means of three state aid/de minimis schemes continues: 1) the State aid scheme to *support SMEs by investment grants to refurbish their technological capacity to recover their resilience*; 2) De minimis aid scheme - *Grant support for investments required for service delivery capabilities to recover their resilience*; 3) The State aid scheme *Grants for investments in SMEs in the fields of the food industry and construction to refurbish their technological capacity to recover their resilience.*

Implementation of **two state aid schemes supported by state budget financing**, such as: 1) De minimis aid scheme *Support granted for the implementation of the Programme for increasing the competitiveness of industrial products*, and 2) *The state aid scheme on awarding grants for investments for the manufacturing industry* have started.

In order to support the SMEs' development, as well as the initiatives in different business sectors, budgetary resources were earmarked for pursuing the following programmes funded by the state budget in 2023: 1) *START-UP NATION Romania Programme* with its two pillars: (a) *Pillar I Start-up Nation Romania*; 2) *Pillar II Start-up Nation Diaspora*; 3) *The Multi-annual National Programme for Developing Women entrepreneurship in SMEs sector*; 4) *The Multi-annual National Programme of Micro-industrialization*; 5) *The Programme for Developing Trading activities of Market products and services*; 6) *The Multi-annual National Programme for Supporting Craftsmanship and Artisanhip*; 7) *The Programme for organising SMEs fairs and exhibitions (TIMM)*; 8) *The Multi-annual National Programme for Establishment and Development of Technological and Business incubators*; 9) *The Programme for Speeding up the Development of Small and Medium-sized Enterprises.*

To support SMEs for setting-up and expanding advanced production capacities and services development, through ROP - P.I. 2.2, state aid and de minimis aid are granted, and by 24 March 2023, 1,458 projects with an eligible value of 1.087 billion euro were contracted, for which payments totalling 533.3 million euro were made.

Furthermore, the **SMEs' support granted by using financial and territorial instruments** has continued; thus 13,139 enterprises, have been financed through the HCOP and 88 through the

COP. By 31 December 2021, 3,333 SMEs were financed under the *SME Initiative* (uncapped portfolio guarantee financial instrument). In the case of the risk capital financial instrument, financed through ROP - P.I. 2.2, the two selected intermediaries i.e. *Morphosis Capital* and *Black Sea* made nine investments totalling 49 million euro by March 2023.

With the aim of *promoting Romania as an international tourist destination*, as well as supporting the enterprises facing difficulties by increasing the number of foreigners who visit Romania, the *de minimis* aid scheme ***Supporting tourism operators for the development of incoming activity*** was established on 30 December 2022. By 31 March 2023, six applications were submitted, the scheme being applicable until 31 December 2023. The total budget earmarked to this aid scheme is approx. 9 million lei.

On 24 June 2022, the OMC No 3081 *on the approval of the de minimis aid scheme to support the editing of magazines and cultural publications, other than those proposed by the unions of creators from Romania, members of the National Alliance of Creators Unions*³⁴ has been released. Following the first call for project proposals of this Scheme (August 2022), 33 beneficiaries were financially supported, with an amount of 1.12 million lei³⁵. In the 2023 call of proposals session completed in April 2023, 17 beneficiaries from cultural magazines/publications were selected to receive funding of 1.12 million lei³⁶.

Moreover, *to ensure the improvement of the SMEs' competitiveness*, the SGDFIP comes up with the advantage of two financial instruments, the venture capital combined with grant financing: business accelerators, *seed* and *scale-up*, respectively a loan with a grant component for investments for the modernization of micro-enterprises/SMEs to significantly improve their technical, industrial and organizational capacity to manage the development of products and services, as well as to increase resilience and adaptation capacity to climate change.

Supporting large companies and SMEs with a turnover exceeding 20 million lei

In order *to ensure the business continuity of these companies and SMEs facing a cash flow deficit*, as a consequence of the financial shortages generated by the Ukraine crisis, a **state aid scheme** with a total budget of 1 billion lei (200 million euro) targeting an estimated number of 100 beneficiaries has been established. This state aid scheme provides with state guarantees, investment loans as well as working capital loans. On 15 February 2023, two months after the launch of the scheme, the total value of the applications received and under analysis of EximBank amounted to 750 million lei.

Through JTP 2021-2027, the following *productive investments in large companies from Galati county* are envisaged: 1. *Investment in NAVROM S.A., which aims at providing a green river transportation and ship handling service on the Danube in the Galati harbour roadstead and the acquisition of the electric manoeuvring thrusters and green equipping of port berth*; 2. *The Investment in Damen Shipyards Galati S.A., which consists in new production lines designed for the construction of electric/battery powered ships or other bio fuels used in shipping.*

Increasing the performances of public enterprises (PEs)

The authorities in charge are making efforts to **implement corporate governance** in order to improve performance, reduce the risks that business may face and for better predictability of the evolution of investments at the level of economic operators. Thus, in 2022, implementation of corporate governance continued to be monitored. The *Annual report on the activity of public enterprises in 2021* and the *Annual report on the activity of the companies under the administration or under the authority of the MF in 2021* were approved and published on the MF website.

The control structure under the MF and the territorial structures for economic and financial

³⁴ According to Law No 136/2015 on the financing of representative culture magazines in Romania

³⁵ See: <http://www.cultura.ro/rezultate-finale-programul-de-finantare-revistelor-si-publicatiilor-culturale-altele-decat-cele-0>

³⁶ Idem

inspection under ANAF carried out actions to check the compliance with the provisions of *GEO No 109/2011*, as a result of which contraventions were found, and sanctions were applied (details in *Annex I*). In 2023, control actions with the same objective are being undertaken in.

Regarding the **improvement of performances of state-owned enterprises through the implementation of the professional management**, the selection procedures of administrators and directors of PEs were launched in 2022 and will continue in 2023; part of the stages of the Selection Plan were carried out at the economic operators placed under the authority of the MF. Moreover, in 2022, MEc launched selection procedures for all its subordinated economic operators. Procedures for the selection of candidates for the positions of members in the Boards of Directors for 22 PEs in defence industry field (including the National Company ROMARM S.A. and its subsidiaries) were resumed. These procedures are carried out by the selection committees established at the level of the public tutelary authority, and part of the stages of the Selection Plan have already been completed. In 2022, the *2021 Report on the activity of public enterprises subordinated, coordinated, under the authority or in the portfolio of the Ministry of Economy* was prepared and published on the MEc website.

State aid schemes for supporting investments

The Romanian Government has continued to support the business environment through state aid measures provided the flexibility in terms of payment mechanisms and monitoring of financed investments.

Regarding the granting of state aid for **stimulating investments with a major impact on the economy** (GD No 807/2014), between 2015 and March 2023, 190 financing agreements were approved, of which 23 were revoked. For the remaining 167 agreements maintained, state aid in the amount of 1,424.10 million euro was approved, and payments amounting to 505.96 million euro were made. 44 enterprises (out of the 167 for which financing agreements were approved) are in the monitoring stage regarding the maintenance of the investment.

In the case of the financing investments that contribute to the **creation of jobs and the reduction of regional disparities** (GD No 332/2014), between 2015 and March 2023, 87 financing agreements were approved, of which 25 were revoked. For the 62 remaining agreements maintained, state aid amounting to 223.18 million euro was approved and payments amounting to 31.28 million euro were made. 16 of the 62 enterprises for which financing agreements were approved are in the monitoring stage regarding the maintenance of newly created jobs.

With regard state aid schemes for sustainable economic development (GD No 1680/2008), *regional development by stimulating investments* (GD No 753/2008), and *regional development by using new technologies and job creation* (GD No 797/2012), some of the enterprises for which financing agreements were approved are still in the monitoring period.

On 15 March 2023, the Government approved a memorandum on *Mandating the MEc, the national public authority with powers in the field of industrial policies, to find funding opportunities through a state aid scheme mechanism for the production of batteries for electromobility*. In addition, finding financial instruments addressing strategic industrial sectors is considered, such as: construction materials industry, production of equipment for renewable energy; retrofitting and green steel for the metallurgical industry.

In 2023-2024, the authorities will continue to support the business environment through state aid measures, fostering the active participation of businesses in closing economic gaps between regions, both by stimulating investment in high-tech fixed assets and by creating jobs.

Supporting cultural and creative industries

The *2021-2027 Sectoral Strategy for Culture and Cultural Heritage* and two public policies i.e. *Open Culture* and *Future Culture* developed as outcomes in the *Strategic and coherent vision for the cultural sector* project are under elaboration and their completion and approval are envisaged by late 2023.

The deliverables of the project *Historical monuments - Strategic planning and improved public policies*, such as: the *Code of Cultural Heritage*; the *National Strategy for Preserving Historical monuments*³⁷ have been completed, these strategic documents being submitted to endorsement procedure.

Related to *the preservation of the cultural, scientific and educational heritage*, the implementation of the project *E-Culture: the Digital Library of Romania* (total financial allocation: 53 million lei, from which 43.6 million lei from ERDF) has been concluded, its deliverable consisting in *the Culturalia.ro* platform which will provide access to cultural resources from 31 public cultural, research and media institutions from Romania, participating in the project. As regards the *digitalisation of the cultural heritage*, by Q1/2023, 560,000 mobile cultural heritage items have been digitalised and published online.

In order to support the *general public to accessing, discovering, exploring and valorising cultural goods*, the planning of actions designed to the debureaucratisation and digitalisation of the cultural sector continues, through the preparation of the projects envisaged in the SGDFIP. Under this latter initiative, the following activities will be carried out: a) strengthening - through a de minimis aid scheme - the capacity of sectoral operators to produce books in electronic format (e-book, audiobook, etc.), especially for volumes by Romanian-language authors;; b) development of an online catalogue for Romanian literary works to promote reading among the young generation, etc.; c) actions to reach new audience using new tools and technologies such as: *vlogs*, online *challenges* and reading marathons.

To *increase the access to culture, promote cultural diversity and strengthen intercultural dialogue*, the RO-CULTURE Programme is ongoing. By Q1/2023, under this project six calls for proposals were launched of which: one call for *innovative exhibitions of restored movable cultural property* (nine contracts signed); one call for the *restoration and revitalization of historical monuments* (nine contracts signed); three calls for proposals for *the consolidation of the cultural entrepreneurship and expanding of audience and public* (40 contracts signed following the first call and eleven following the second call), and one call for *supporting the cultural initiatives on Roma minority* - by which ten project applications will be financed.

Restoration, preservation and capitalization of the cultural heritage objectives are achieved by investments funded from 2014-2020 ERDF through ROP, with a total financial earmarking of 369.3 million euro (of which 312.58 million euro from ERDF). 217 financing contracts were concluded with a non-refundable value of 509.32 million euro, from which 430.49 million euro from ERDF, for which disbursements totalling 283.96 million euro were made to beneficiaries.

By RPs, interventions and actions on the *valorisation of cultural heritage and touristic potential, cultural infrastructures and supporting entrepreneurs in the creative industries* are envisaged.

SGDFIP aims also carrying out activities supporting the cultural sector, such as: inventory and digital documentation of heritage, including mobile cultural heritage, tourist mapping enclosing monuments, QR codes labels placed on monuments; digitalisation and digital archiving of cultural collections (e.g. books, manuscripts, thesaurus publications, including cinematographic and musical works).

Other measures to improve the business environment

To **support citizens and business environment**, several measures are unfolded to protect and enhance competition on the goods and services market, to complete the cadastre of all real estate and land, as well as to simplify the registration/ deregistration into/from the Trade Register.

CC ensures the **development of a favourable competitive environment**. To that end, two online platforms are maintained: a) the *Whistleblowing Platform* (by which either the facilitation of the dialogue between the authorities and whistle-blowers is facilitated or the CC self-reports

³⁷ See: www.umpcultura.ro/monumente-istorice_doc_982_strategia-nationala-privind-protejarea-monumentelor-istorice_pg_0.htm

and initiates investigations; thus, in 2022, there were 140 complaints submitted; b) the *Price Monitor Platform* (by which the consumers are able to verify food and fuel prices); the monitor recorded 33.9 million queries in 2022. Moreover, in 2022, the CC issued 491 opinions and views, responses and interpellations on state aid and competition matters, almost double compared to 2021.

The legislation on unfair competition practices has been amended, by adopting the *GEO No 84/2022 on combating speculative actions and amending and supplementing certain normative acts*. In addition, the secondary legislation ensuring the enforcement of the *Law No 11/1991 on combating unfair competition* is under approval. Moreover, for the purpose of providing with the methodological framework needed for the operationalization of the mechanism envisaged in the *Law No 81/2022*³⁸, the *GD No 198/2023 for the approval of the Regulation on the procedure for registration, investigation and settlement of complaints concerning unfair business-to-business commercial practices in the agricultural and food supply chain* was adopted.

GEO No 46/2022 on measures to implement Regulation (EU) 2019/452 establishing a framework for the screening of foreign direct investments into the European Union as well as for amending and supplementing the Competition Law No 21/1996 was adopted. Moreover, the *Rules governing the functioning and organization of the Committee for the examination of foreign direct investments* was approved, by the *GD No 1326/2022*.

Implementation of the project³⁹ *Strengthening the Internal Market of the European Union by taking action on the energy and gas markets* continues.

As regards the improvement of cadastral activity - ANCPi works towards increasing the quality of its services and completing the systematic registration with the *Integrated System of Cadastre and Land Book (SICCF)*, by implementing both the *National Programme for Cadastre and Land Book 2015-2023 (PNCCF)* and the major project *Improving the coverage and inclusion level of the registration system of real estates from Romania's rural areas* which was set up to respond to the PNCCF. This programme is implemented according to the *Law No 7/1996*⁴⁰ and *GEO No 35/2016* regulating the allocation of funds for local authorities by the ANCPi to ensure financing/co-financing of the systematic registration of real estates, initiated by TADs. By 31 March 2023, the state of play of registration with SICCF was as follows: 21,172,302 real estate units (52.93 %) out of the total 40 million estimated at national level; 13,882,410.27 ha of land were registered; 184 TADs with works of systematic registration of real estates were finalized (of which the real estate properties from 167 TADs were fully registered and real estate properties from 17 TADs were partially completed); 21,567 cadastral sectors were finalized. At the same time, 611 people were employed and trained in this field of competence according to another objective of the project.

Out of the 660 rural TADs included in the major project for 576 TADs, the *Framework agreements* and *Service agreements* were concluded. The works of systematic registration of real estates were completed for 66 TADs (of which 49 TADs in full and TADs partially), and for 491 TADs works continue. For 92 TADs, the procurement documentation related to 92 TADs is under approval procedure to be submitted to ANAP, 10 TADs are subject to court cases, and the contract on 1 TAD was concluded.

The online payment services⁴¹ through which individuals and businesses can obtain the land book excerpt for information purposes, as well as the GNSS (*Global Navigation Satellite System*) real-time positioning services are still operational.

Related to the registration of enterprises, the following platforms are maintained operational: the *ONRC online services portal* which was updated according to the provisions of the *Law No*

³⁸ On unfair trading practices between undertakings in the agricultural and food supply chain

³⁹ The value of the project is 600.000 euro, through the *Structural Reform Support Programme 2017-2020* (the forerunner of the current *Technical Support Instrument*).

⁴⁰ Law on cadastre and real estate advertising

⁴¹ See: <https://epay.ancpi.ro/epay/Welcome.action>

265/2022⁴². To facilitate the obtaining of real-time information on real beneficiaries by means of a single point, *the interconnection of the ONRC with the Registers of Real Beneficiaries from other EU Member States*⁴³ is due to be accomplished. With regard to **business insolvency**, in the 1 January - 31 December 2022 timeframe, the number of insolvency proceedings opened increased by roughly 24.2 % as against the previous year. Between 1 July 2014 and 31 March 2023, according to the Insolvency Procedures Bulletin (BPI), 52,317 bankruptcy procedures were resolved (general procedure and simplified procedure). Between 1 January 2022 and 31 December 2022, the number of deregistered firms increased by roughly 10.1% as against the previous period.

The measures presented in this chapter can contribute to the fulfilment of SDG 1, SDG 8, SDG 9, SDG 11, SDG 12 and SDG 13.

3.4.2. Transport

REFORM AND INVESTMENTS IN THE NRRP

The field of transport is addressed as a priority in Pillar I "Green transition", Component 4 - Sustainable Transport, as well as in Pillar III "Smart, sustainable and inclusive growth" and Component 10 - Local Fund of NRRP.

In the timeframe Q2/2022 - Q1/2023, measures aimed at strengthening a strategic and sustainable approach in this field were implemented, as follows:

- Adoption of the National Road Safety Strategy (GD No 682/2022 and GD No 144/2023 for the amendment of Annexes No 1 and 2 to the National road Safety Strategy for 2022-2030);
- Signing the contracts for 75% of the works related to the modernization, rehabilitation and renewal of the railway infrastructure for the railway lines Cluj-Napoca - Oradea - Episcopia Bihor and Caransebes - Timisoara - Arad;
- Entry into force of the Order of MDLPA No 3232/2022 on the establishment of a structure to provide technical assistance for the development of sustainable urban mobility plans (SUMP) and the updating of the established and operational SUMP (OJ, Part I, No 1228/2022)
- Signing, with the beneficiaries of *Investment 1. Sustainable urban mobility*, of 227 financing contracts for the renewal of public transport vehicle fleets (purchase of non-polluting vehicles);
- Signing of 115 financing agreements for the construction of charging points for electric vehicles, within *Investment 1. Sustainable urban mobility*;
- Signing of 487 contracts to finance investment in bicycle infrastructure at local/metropolitan level.

Information also available in Annex II regarding the FENIX database.

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⁴² On the Trade register and for the amendment and completion of other normative acts affecting the registration in the Trade Register

⁴³ A functionality provided by the European e-Justice Portal by BRIS systems from the EU MS

OTHER MEASURES (in addition to NRRP)

Key directions:

- ✓ **Improving the administrative capacity, as well as the capacity to manage European funds, and increasing the efficiency of the activity of the public enterprises from the transport sector;**
- ✓ **Development of a sustainable, smart and safe transport infrastructure for all transport modes (road, railway, urban, naval and intermodal, air).**

Additional information available in Annex I regarding the CeSaR database.

The development of transport infrastructure is a priority of the Government, its main objective being to ensure connectivity and accessibility to the main transport corridors. In line with the greening objectives of the transport sector set out in the European Green Deal and in accordance with CSRs 2019 and 2020, **investments are oriented on developing a modern, safe and sustainable infrastructure.** The efforts focus mainly on **improving the preparation and accelerating the implementation of transport infrastructure investment projects** for applying the priorities established in the *General Transport Master Plan of Romania (GTMP)*⁴⁴ and updated by the *Investment Programme (IP) for Transport Infrastructure Development for the period 2021-2030*⁴⁵.

As regards the **objectives of climate neutrality and environmental protection**, according to NECP, the **reduction of GHG emissions in the transport sector** is based on the priority development of railway passenger transport and its intermodal integration with other transport modes. Promoting the use of biofuels in transport and fostering rail transport (due to the increased use of electricity for this transport mode) over road transport will contribute to meeting the 14.2% target of the share of renewable energy in transport/RES-T by 2023.

Improving the administrative capacity, as well as the capacity to manage European funds, and increasing the efficiency of the activity of the public enterprises from the transport sector

To improve the capacity to manage European funds and to prepare and implement transport infrastructure projects, on the basis of the Memorandum of Understanding on Support for Project Implementation signed between the Government of Romania and the European Investment Bank (EIB), the *Project Advisory Support Service Agreement (PASSA) 2020-2023*⁴⁶ is ongoing. Through this agreement, EIB experts support MIPE, MTI and the beneficiaries of the projects, providing technical support for the preparation, evaluation, contracting and monitoring of transport investment projects. Moreover, a study for implementing the electronic road tolling at the level of CNAIR, as well as the development of a library of deliverables provided within PASSA are envisaged.

Measures that contribute to **improving the institutional capacity of MTI (as MA TP)**⁴⁷ for the management and implementation of TP will be financed from European funds, such as: support for the development of methodologies, guides, procedures, etc.; support for the digitalisation of work procedures and the development of IT tools for monitoring the preparation of projects; support for the preparation of the projects portfolio, as well as for the evaluation, selection, monitoring and verification of projects; studies, analyses and proposals to improve the legislative framework to increase efficiency in implementing and exploiting the infrastructure projects; staff training in areas such as public procurement, state aid, evaluation and implementation,

⁴⁴ Approved by GD No 666/2016. The GTMP, as subsequently amended and supplemented, is the strategic tool for planning major interventions for the period 2016-2030, significant for the transport objectives at national level.

⁴⁵ The Investment Programme (<http://support-mpgt.ro/programul-investitional-2021-2030/>) was approved by GD No 1312/2021.

⁴⁶ The PASSA Agreement amounting to 20 million euro is financed through TAOP.

⁴⁷ TP, Priority 8 - Technical Assistance

financial management and control, etc.

MTI continues its efforts to streamline the activity of public enterprises (PEs) operating under its authority and to apply the corporate governance principles. In 2022, for the selection of professional management⁴⁸, a Framework Agreement was established, and subsequent contracts were signed with specialized independent experts for recruiting and selecting candidates for vacancies or temporarily occupied positions of administrators. Selection was completed for six PEs and it is underway for 14 PEs.

In 2023, the efforts for restructuring/ streamlining TAROM's activity continues (deadline: Q2/2024). To this end, the Company's Restructuring Programme includes measures for streamlining the activity (such as fleet renewal, costs optimization and organizational efficiency).

Other reform measures related to the performance of PEs (including joint stock companies - CNIR, CNAIR, CFR and Metrorex, and public transport authorities - ARF, AFER) are envisaged in NRRP.

Road transport

The development of road transport along the core and comprehensive TEN-T network will be achieved in a balanced and sustainable manner in all regions, with the aim of increasing mobility, making the economic development poles accessible and ensuring an environmentally friendly road transport network. The investments financed from European non-reimbursable funds (LIOP⁴⁹ and TP⁵⁰) target the development of motorways, express roads, ring roads, national connection corridors, as well as with the neighbouring countries, and include the introduction of green and digital technologies (refuelling/recharging stations with alternative fuels, application of ITS, the development of information systems for users and of transport systems interoperability etc.). Under LIOP, the construction works for 300 km of motorways and express roads (which were in various stages of implementation in Q1/2023) continues. In 2023, with financing from CEF 2.0, projects for the rehabilitation/ modernisation/ building of five bridges will be implemented to adapt road infrastructure to dual use - civil and military, as well as four projects for the development of cross-border infrastructure with Hungary, Moldova and Ukraine.

As regards the safety and security on all transport modes⁵¹, in 2023, the implementation will continue for 23 projects contracted under LIOP in order to eliminate road black spots and conflict points, to equip some roads with environmental protection and safety elements, to purchase the coastal maritime traffic information and management system Ro-VTMIS; to develop a mixed mobile system for monitoring road traffic. In complementarity with NRRP, TP will finance investments to increase of road safety⁵² in order to reduce the number of casualties from road accidents, in accordance with the EU's "Vision Zero" objective.

To stimulate regional mobility, regional and local investment projects are financed for the modernisation/ rehabilitation of the county road network located in the proximity of TEN-T. The implementation of the 130 investment projects contracted under ROP⁵³ until 30 December 2022 for the modernisation/ rehabilitation of 1,955 km of county roads continues in 2023.

The Regional Programmes (RPs) will continue to finance investments to increase accessibility

⁴⁸ Recruitment and selection are carried out in compliance with the provisions of GEO No 109/2011 on Corporate Governance of Public Enterprises, approved by Law No 111/2016 and the principles of non-discrimination, equal treatment and transparency, as well as in compliance with GD No 722/2016.

⁴⁹ LIOP, SO 1.1 - Increasing mobility through the development of road transport on TEN-T core network; SO 2.1 - Increasing mobility on TEN-T network and SO 2.2 - Increasing accessibility for regions with low connectivity to TEN-T road infrastructure

⁵⁰ TP, Priority 1 - Improving primary road connectivity and Priority 2 - Improving secondary road connectivity

⁵¹ LIOP, SO 2.5 - Increasing the safety and security in all modes of transport and reducing the environmental impact of transport

⁵² TP, Priority 3 - Increasing road safety

⁵³ ROP, Investment Priority 6.1 - Enhancing regional mobility by connecting secondary and tertiary nodes to TEN-T infrastructure, including multi-modal nodes

degree of road infrastructure to the primary and secondary TEN-T network, at regional and local level. For example: (i) under RP South Muntenia, 283 km of county roads will be modernised; (ii) through the RP South East, the road infrastructure of regional importance will be rehabilitated and modernized to ensure connectivity to the TEN-T network, increase traffic safety, install refuelling/recharging points for electric vehicles; (iii) within RP Centre, in 2023, two calls for projects will be launched with the aim of modernizing the road infrastructure of regional interest, respectively decongestion and smoothing of traffic in the access areas to the county seat municipalities. At the level of RPs North-West, West, South-West Oltenia, South Muntenia, South-East and Centre, the applicant's guides for the calls for projects to be launched starting Q2-3/2023 were submitted to public consultation.

Rail transport

Development of the railway infrastructure aims at upgrading the TEN-T corridors Rhine-Danube and Orient-East Med, which constitute the backbone of Romania's primary railway network. The investments financed from European funds (under LIOP⁵⁴ and TP⁵⁵), in complementarity with the investments from NRRP and CEF, aim to increase both the efficiency of the railways by modernizing the railway infrastructure (including stations, bridges, small bridges, tunnels, level crossings with the railway, installation of the ERTMS level 2 system, electrification of railway lines), and the attractiveness of rail passenger transport by renewing the rolling stock.

In 2023, with financing from LIOP, the works for modernising 141.17 km of railway on the Km 614 - Simeria sections continue and the rehabilitation works will start in Fetesti and Ciulnita stations (4.87 km). At the same time, the execution of service agreements for the development of feasibility studies and technical projects (financed from LIOP and CEF) continues, with the objectives of modernizing/rehabilitating 2,373.9 km of railway lines, 24 railway stations, bridges, small bridges, tunnels (phase II) and railway level crossings.

Under CEF, the rehabilitation works for 112 km of railway on the Brasov - Sighisoara route, 12 km of railway for the reopening of traffic on the Gradistea Bridge and the related works on the Bucharest North - Giurgiu North route are in progress, as well as the project for modernising the railway infrastructure in Port Constanta - Stage I, Valu lui Traian.

As regards the TP, the investments will focus on the rehabilitation of the current lines on the primary network, in order to ensure operating speeds of at least 100 km/h, in complementarity with the modernization works financed under NRRP.

The **procurement of rolling stock** aims to increase the attractiveness of rail passenger transport and to capitalize on modernized or renewed railway corridors. The new rolling stock must be provided with ERTMS (level 2) equipment and contribute to the goal of carbon neutrality (Green Deal). In 2023, with financing through LIOP, ARF carries out the contract concluded for the purchase of 37 interregional electric frames (RE-IR) and their maintenance for a period of 15 years, from the time of delivery of each frame. In Q1/2023, the procurement procedure for 62 regional electric frames RE-R was in progress, the funding of the project being ensured under TP⁵⁶. In complementarity, with funding from PNRR, the public procurements for RE-IR long-distance interregional electric frames, new 4-axle electric locomotives with ERTMS systems and electric traction frames based on hydrogen fuel cells are in various stages of deployment.

In order to improve the quality of public services in rail passenger transport, in 2023 the project *Integrated system, single database and provision of information regarding the ticketing system of rail passenger transport operators* (financed through LIOP) will be completed, and the project "National Ticketing" will start with funding through TP. The purpose of the project is to regulate the issuing and settling of the single integrated ticket, as well as the development of a single

⁵⁴ LIOP, SO 1.2 - Increasing mobility on the TEN-T core railway network and SO 2.7 - Increasing sustainability and quality of rail transport.

⁵⁵ TP, Priority 4 - Increasing the efficiency of railways and Priority 5 - Increasing the attractiveness of rail passenger transport

⁵⁶ TP, Priority 5 - Increasing the attractiveness of rail passenger transport

"one-stop-shop" platform for the issuance of travel permits. The project will be implemented in two stages: a pilot project on the Bucharest- Ploiesti South and Ploiesti West route (2023-2024), and the full project (2024-2026).

Sustainable urban transport

The **development of metro infrastructure** contributes to increasing green urban mobility. In 2023, the investment priorities financed from LIOP⁵⁷ target the projects that are in implementation or in preparation stage: *Metro line M5 - Section 2 Eroilor-Piata Iancului; Metro line M6 - Section 1 Mai-Tokyo and Section 2 Tokyo-Otopeni; Accessibility of metro stations in operation for the visually impaired*. Through TP⁵⁸, in the financing period 2021-2027, the continuation of investments for the development of urban railway systems in metropolitan areas is considered: the construction/modernization of the metro infrastructure; purchase of ecological rolling stock - metropolitan frames; launch of the metropolitan train concept, as a package of infrastructure and services intended for the use of rail transport in urban nodes.

Sustainable urban mobility contributes to ensuring a sustainable, equitable, efficient and inclusive transport system in urban and rural areas, reducing GHG emissions from transport and increasing road safety, using green and digital solutions. In order to consolidate this field, a draft law is to be adopted by the Parliament. The normative act regulates mobility as an independent field, establishing the responsible institutions at the central and local level, and proposes concrete measures that contribute to the green transition of urban areas in Romania.

In 2023, implementation of the projects contracted for reducing carbon emissions in urban areas and county seat municipalities continues with financing from ROP⁵⁹, in accordance with the objectives of the SUMP (bike lanes network, pedestrian routes, the purchase of electric public transport means that can be equipped with ITS, etc.).

In the financing period 2021-2027, the Regional Programmes (RPs)⁶⁰ will continue to support investments for the development of sustainable urban transport, e.g.: (i) through RP North-West, efforts to increase the use of public transport and other forms of ecological urban mobility will continue; (ii) RP North-East will finance the following investments: purchase of ecologic rolling stock with a total capacity of 13,072 passengers (with 72 refuelling/recharging points); modernization of 4 km of tram line; construction of 12.66 km of tram line; construction/modernization of 36.68 km of cycle paths and 10 intermodal connections; implementation of digitalised urban transport systems in 8 cities; (iii) through PR South Muntenia, 12 municipalities and cities will be supported for the endowment with new public transport systems or non-motorized mobility systems, and 3 cities with digitalised urban transport systems, 59 km of cycle routes will be developed and 4,801 passengers will benefit of the new environmentally friendly public transport means that will be purchased; (iv) in the Centre Region, measures are foreseen for the modernization or construction of depots/bus depots (including electric/hydrogen charging stations) and urban public transport stations (including modern means of display and communication), as well as the purchase of ecological vehicles (electric/hydrogen) to replace approx. 16% of the current diesel fleet. In RPs North-West, West and Centre, the applicant's guides for the calls for projects to be launched starting with Q2-3/2023 were submitted to public consultation.

Naval and intermodal transport

Development of naval and intermodal transport targets the capitalization of the potential offered by the Danube, the river transport, the development of commercial ports and the

⁵⁷ LIOP, SO 1.4 - Increasing the use of metro transport in Bucharest - Ilfov

⁵⁸ TP, Priority 6 - Development of sustainable mobility in urban nodes

⁵⁹ ROP, IP 3.2 - Reducing carbon emissions in urban areas based on Sustainable Urban Mobility Plans and IP 4.1. - Reducing carbon emissions in county-based municipalities through investments based on sustainable urban mobility plans

⁶⁰ SO 2.8. "Promoting sustainable multimodal urban mobility, as part of the transition to a zero-carbon economy"

transformation of the Constanta Port into a regional leader. With financing from LIOP⁶¹, works are ongoing for modernizing 14 ports (Constanta, Tulcea, Braila, Galati, Medgidia, Ovidiu, Giurgiu, Calafat, Turnu Magurele, Chilia Veche, Sulina - TEN-T ports and Isaccea, Corabia, Luminita - non TEN-T ports) and for the development of 36 km of shore defences on Sulina Channel and two intermodal terminals.

The investments financed through TP⁶² target the development/ modernisation of 8 intermodal connections and 70 km of waterways, including the installation of alternative fuel supply infrastructure. In Q1/2023, projects for the rehabilitation of the infrastructure of the Danube - Black Sea and Porta Alba - Midia, Navodari waterways and the re-engineering of the Navodari lock to increase the safety of navigation were in an advanced stage of preparation. Investments to improve road and rail connections from the Constanta Port will continue, while ensuring navigation conditions on the Danube remains the main priority in the field of naval transport. In 2023, MTI is running a contract for the development of the *Naval Transport Strategy*.

Since naval transport is considered, along with rail transport, a more environmentally friendly transport mode and that it contributes to the fulfilment of the strategic vision of Green Deal, the development of naval infrastructure is also supported through CEF 2.0. As from January 2023, the project "Ensuring the electrical conditions for connecting ships to the quay in the Port of Constanta (Cold Ironing regime)" is under implementation. The project contributes to the sustainable development of the port by increasing technical and economic efficiency in terms of electricity use.

RP South-East will finance investments to adapt the public transport system to the needs of passengers and the current environmental and safety requirements, in corroboration with the berthing infrastructure in the Danube Delta ITI area.

[Air transport](#)

In short and medium term, further **development of airport infrastructure** is envisaged for the "greening" of the airports (equipment, vehicles and airport infrastructure). In 2023, the implementation of projects contracted through LIOP⁶³ for the modernisation of airports continues, as well as Romania's participation in the project *SESAR Deployment Programme implementation 2019 - IOP Foundation* (financed under CEF) which aims to streamline and modernize air navigation services.

Other measures envisaged to ensure a sustainable airport infrastructure are related to the implementation of the *Strategic Programme for the Development of the Airport Infrastructure at Bucharest Henri Coanda International Airport/ AIHCB* and to mitigation of the impact of civil aviation on the environment (maintaining the ACA⁶⁴ accreditations for Bucharest Otopeni International Airport - Henri Coanda/ AIHCB, Bucharest Baneasa International Airport - Aurel Vlaicu/ AIBB-AV and Cluj International Airport Avram Iancu; carrying on with the renewal of TAROM's fleet).

Additional measures on sustainable transport (e.g. the promotion of less polluting vehicles and the installation of alternative fuel infrastructure), funded from the Environment Fund, are available in chapter [3.2. Green Transition](#).

The measures presented in this sub-chapter can contribute to the fulfilment of SDG 9 and SDG 11.

⁶¹ LIOP, SO 1.3 - Increasing the use of waterways and ports on the TEN-T core network and SO 2.4 - Increasing the cargo volume passing through intermodal terminals and ports

⁶² TP, Priority 7 - Development of naval and multimodal transport

⁶³ LIOP, SO 2.3 - Increasing the sustainable use of airports

⁶⁴ Airport CO₂ Accreditation Standard (Air Carbon Accreditation)

3.4.3. Research, Development and Innovation (RDI)

REFORMS AND INVESTMENTS IN THE NRRP

Research, development and innovation is addressed in Pillar III "Smart, sustainable and inclusive growth", Component 9 - Support for private sector and RDI of NRRP.

In the timeframe Q2/2022 - Q1/2023, measures were implemented for the following:

- Entry into force of Law No 25/2023 on the voluntary integration of research, development and innovation organizations from Romania in the European Research Area, and for the amendment of GO No 57/2002 on scientific research and technological development (OJ No 33/2023) which aims to foster, facilitate and regulate the voluntary and functional integration and merger of research institutions in Romania;
- Establishment of five centres of competence by signing the financing agreements on 29 December 2022.

Information also available in Annex II regarding the FENIX database.

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OTHER MEASURES (IN ADDITION TO NRRP)

Key directions:

- ✓ Developing the RDI system: improving administrative capacity and the strategic and legislative framework; open science; RDI and societal challenges; human resources (including the development of skills for smart specialization); competitive research organizations; research and development infrastructures;
- ✓ Promoting a competitive and attracting RDI system for private environment: innovative enterprises; public-private partnership for research, innovation, technological and knowledge transfer;
- ✓ Supporting RDI in areas of strategic interest (including in the medical field) and European and international collaboration.

Additional information available in Annex I regarding the CeSaR database.

The National Strategy for Research, Innovation and Smart Specialization 2022-2027 (NSRISS), approved in July 2022⁶⁵, sets the vision for the Romanian RDI system and expresses the firm option to recognize and support excellence, to reward performance, to stimulate the development of collaboration between the public and private environment.

Development of the RDI system

The objective of ensuring a **good governance of the national/ regional strategy for smart specialization** is pursued within the project SIPOCA 592 - *Increasing the capacity of the RDI system to respond to global challenges. Enhancing anticipatory capacity to develop evidence-based public policies*. An integrated IT platform necessary to monitor the RDI ecosystem and NSRISS will be developed within the project, to ensure the enabling condition for the RDI field in the period 2021-2027.

Based on the results of the project SIPOCA 592, **improvements will be made in the legislative framework**, in the sense of updating, streamlining and correlating the legal framework with the

⁶⁵ GD No 933/2022

needs of the research and economic environment (e.g. the draft GD on the establishment, operation, evaluation and accreditation of the entities from the innovation and technological transfer infrastructure).

For ensuring the transition towards **Open Science**, the strategic framework for open science will be developed, which will facilitate free access to publications and data resulted from research activities. Through NPRDI IV⁶⁶, supporting the participation of Romania to the development of the European Open Science Cloud is envisaged. In addition, MCID supports the *development of the dialogue between the scientific environment and society*⁶⁷, both by supporting the organization of scientific events and by ensuring access to scientific literature and open access publishing.

Starting from the Strategic Research Agenda⁶⁸, **public procurement for innovation** aims to connect research and innovation activities with societal challenges and provide solutions to mitigate the impact of challenges on citizens. Within NPRDI IV⁶⁹, the call for projects on R&D themes that meet the specific needs identified by central public authorities is estimated to be launched in Q2/2023.

Development of human resources for research, by increasing the number and scientific skills of researchers, aims to facilitate the access of potential investors to well-trained human resources and collaboration opportunities. Within NPRDI IV⁷⁰, calls for projects to stimulate young independent research teams, for mobility of junior researchers or senior ones from diaspora, for awarding the publication of "web of science" articles and for the registration of national or international invention patents are expected to be launched by late Q2/2023.

ERDF (through SGDFIP⁷¹ and the eight Regional Programmes/ RPs) finances the development of skills for smart specialization and entrepreneurship (from SMEs, innovation and technology transfer entities/ ITTEs and research organizations, involved in RDI and/or technology transfer activities, both at national and regional level), and the strengthening of administrative capacity of regional actors involved in the development, implementation, monitoring, evaluation and review of regional smart specialization strategies (RIS3), in the context of the Entrepreneurial Discovery Mechanism.

Complementarily, EEP aims to develop and implement doctoral and postdoctoral programmes, at the request of businesses/R&D organizations, to tailor the offer of universities to the labour market requirements, and support is provided through NRRP for the development of skills in microelectronics.

The funding, from NPRDI IV⁷², of projects for increasing the competitiveness of research organisations contributes not only to the improvement of institutional performance, but also to attracting and maintaining human resources specialized in R&D activities.

In 2023, the implementation of projects contracted within COP for the **development of large R&D infrastructures**⁷³ will continue, as well as for the **development of networks of R&D centres**⁷⁴ with the aim of modernizing and efficiently using the RDI infrastructures to facilitate

⁶⁶ NPRDI IV, Programme 5.5. - Research infrastructures

⁶⁷ NPRDI IV, Programme 5.10. - Science and Society

⁶⁸ In 2021, following an extensive consultation process, the six key areas for societal challenges were pointed out, namely: digitalisation, industry and space; climate, energy and mobility; food, bio-economy, natural resources, agriculture and the environment; health; culture, creativity and an inclusive society; civil security for society.

⁶⁹ NPRDI IV, Programme 5.6. - Challenges

⁷⁰ NPRDI IV, Programme 5.2. - Human resources

⁷¹ SGDFIP, Priority 1, Action 1.4 - Developing skills and strengthening the capacity of actors in the RDI field to increase competitiveness

⁷² NPRDI IV, Programme 5.4. - Core/Nucleus and Programme 5.3. - High performing research organizations

⁷³ COP, Action 1.1.1 - Large R&D infrastructures (sections: A - Investments for R&D departments in enterprises; B - Innovative clusters and F - Investment projects for public R&D institutions/ universities)

⁷⁴ COP, Action 1.1.2 - Developing networks of R&D centres, nationally coordinated and linked with European and international profile networks and ensuring access to European and international scientific publications and databases

open access with the effect of multiplying/ spreading of the RDI knowledge and results in the economy. Moreover, the measures financed under NPRDI IV⁷⁵ will focus not only on the development of new or current infrastructures (according to the National Roadmap), but also on facilitating their efficient use. The call for projects to finance services provided by R&D infrastructures is planned to be launched by late Q2/2023.

RPs will finance investments for the development and enhancement of RDI capacities, and the adoption of advanced technologies (SO 1.1.), as follows: (i) within RP North-West, calls for projects to finance 78 enterprises and 2 research organization participating in joint research projects are estimated to be launched in Q2/2023; (ii) RP South-East will support research projects in the regional smart specialization fields, including investments in the infrastructure necessary to implement the projects; (iii) RP South Muntenia aims to develop the RDI capacity of public research organizations, business environment and local/central public authorities and institutions, by creating and developing RDI infrastructures, services and equipment, as well as by running joint research projects; (iv) within RP Centre, calls are planned to be launched in 2023 for projects aimed at supporting: the development of public and private R&D capacities; participation of SMEs and RDI organizations in structures, partnerships and collaboration programs; innovative clusters; the open innovation pilot platform - a regional strategic project; RDI support activities through financial instruments (capital or quasi-capital).

Promoting a competitive and attractive RDI system for the private environment

In order to **increase the level of private investment in innovation**, measures will be envisaged to encourage public-private collaboration, develop technology and knowledge transfer, as well as to support innovative entrepreneurship for ensuring a critical mass of innovative start-ups and creating a mature and functional innovative entrepreneurial ecosystem.

In 2023, to **stimulate innovative enterprises** (start-ups and spin-offs, as well as newly-created innovative enterprises), implementation will continue for the projects contracted through COP⁷⁶ for the development of innovative products/ processes/ services, individually or in partnership with R&D institutes/ universities. SGDFIP⁷⁷ and RPs will finance investments in new and innovative technologies, in the smart specialization fields, at both national and regional levels. For example, to stimulate research at enterprises' level, RP South-East will finance "proof of concept" projects and research projects carried out in cooperation between SMEs and RDI/university entities.

Complementarily, NPRDI IV⁷⁸ will support both projects that contribute to the development of the innovative entrepreneurship system (forming a critical mass of innovative start-ups, developing the capacity to incubate and accelerate innovative start-ups), as well as projects for innovation and capitalization of research results. The call for "innovative business matching fund" type projects is planned to be launched in Q3/2023, with the aim of supporting innovative start-ups that validate the technology concept with a private investor.

The main purpose of **supporting public-private partnerships for innovation** is to strengthen the link between the private and R&D environment in order to design, implement and test demonstrative models for new or significantly improved products/ services and to launch new products/ services on market. In 2023, the implementation of partnership projects contracted

⁷⁵ NPRDI IV, Programme 5.5. - Research infrastructures

⁷⁶ COP, Action 1.2.1 - Stimulating enterprises demand for innovation through RDI projects (sections C - *Projects of innovative start-ups or spin-offs* and D - *Projects of newly created innovative enterprises*)

⁷⁷ SGDFIP, Priority 1, Action 1.1. - Support for the private sector and for collaboration between actors from the public system and the business environment in the field of RDI, Measure 1.1.1. - Support for innovative enterprises

⁷⁸ NPRDI IV, Programme 5.7. - Partnership for innovation, Sub-programme 5.7.2. - Innovative entrepreneurship and open innovation and Sub-programme 5.7.3. - Innovative enterprises

within COP⁷⁹ continues and, through SGDFIP⁸⁰, both knowledge transfer projects and RDI activities carried out in thematic consortia (for innovation and technology transfer) between public-private partners will be financed.

Complementarily, at regional level, the implementation of projects contracted through ROP for promoting technology transfer⁸¹ and increasing the degree of innovation in companies⁸² continues. Regional Programmes (RPs) will finance projects that contribute to the development of the technology transfer ecosystem (innovation and technology transfer entities/ ITTEs and science and technology parks) and the purchase of services by SMEs through innovation vouchers. As from Q2/2023, RP South Muntenia will support investments for technological transfer and collaboration with SMEs, as well as for increasing the degree of innovation in SMEs, both through the development of own capacities and partnerships with enterprises.

Investments financed under RPs for the development and enhancement of RDI capacities and the adoption of advanced technologies (OS 1.1.) encourage joint research projects between enterprises and public research organizations, thus contributing to strengthening the link between the business environment and the academic/research one.

The NPRDI IV⁸³ also supports the research-innovation activities carried out in partnership between the business environment and the RDI one, as well as the development of technological transfer at national level, including by improving the expertise of human resources from the technological transfer centres, and by enhancing visibility and capitalizing the research results on the market.

Additional measures that can help strengthen the link between the private sector and the R&D and academic environment, by increasing the access of innovative SMEs to financing and encouraging enterprises to innovate and/or integrate new technologies are available in [chapter 3.4.1 Creating a favourable environment for public and private investments](#).

[Supporting RDI in areas of strategic interest \(including in the medical field\) and European and international collaboration](#)

In order to capitalize on the opportunities provided by the integration into the European Research Area (ERA), but also to focus the efforts of the academic, research and economic environment to achieve favourable prerequisites for generating nuclei of knowledge and development in advanced and emerging technologies, **implementation/ promotion of pan-European research infrastructure projects**⁸⁴ continues: *Extreme Light Infrastructure-Nuclear Physics (ELI-NP)*; *Advanced Lead Fast Reactor European Demonstrator (ALFRED)*; *International Centre of Advanced Studies for Rivers-Deltas-Seas DANUBIUS-RI*. The RDI activities included in the strategic agendas of these infrastructures will be supported through NPRDI IV⁸⁵.

In addition, ERDF will finance projects for the **creation of innovation hubs in areas of strategic interest**⁸⁶ (such as high power lasers, 4th generation nuclear reactors, hydrogen, semiconductors, artificial intelligence, river-delta-sea systems)

⁷⁹ COP, Action 1.2.3 (Applicant Guide, section G) - *Knowledge Transfer Partnerships*

⁸⁰ SGDFIP, Priority 1, Action 1.1. - Support for the private sector and for collaboration between actors from the public system and the business environment in the field of RDI, Measure 1.1.2. - Increasing the level of public-private collaboration

⁸¹ ROP, PA 1 - Promoting technology transfer: PI 1.1.A - Supporting innovation and technology transfer entities, IP 1.1.B - Supporting scientific and technological parks and IP 1.1.C - Investments for SMEs to for the application of research results in partnership with an ITT

⁸² ROP, PA 1 - Promoting technology transfer: IP 1.2 - Increasing innovation in companies by supporting multi-sectoral approaches resulting from the implementation of the "Lagging Regions Initiative" in Romania

⁸³ NPRDI IV, Programme 5.7 - Partnership for innovation, Sub-programmes 5.7.1 - Partnership for competitiveness and 5.7.4. - Technological transfer in support of competitiveness

⁸⁴ COP, PA 1, Action 1.1.1. - Large R&D infrastructures

⁸⁵ NPRDI IV, Programme 5.9 - Research in areas of strategic interest

⁸⁶ SGDFIP, Priority 1, Action 1.2 Support for projects in the field of advanced technologies by creating innovation hubs in areas of strategic interest

Health Programme (HP) 2021-2027 contributes to the development of research in the medical field by priority funding of both predefined investments in research in the fields of non-communicable diseases (cancer), genomics and vaccines, as well as investments in research solutions with applicability in the medical field. The collaboration between stakeholders from the public system and the business environment is intended to be supported for the development and testing of innovative/advanced technologies with applicability in the clinical field. Newly-created innovative enterprises will also be supported to increase investments in new technologies and innovation. Additional information on investments in this field through HP 2021-2027 are available in [chapter 3.6. Health](#).

Supporting European and international collaboration aims to increase Romanian participation in European and international RDI programmes and partnerships for a better integration into ERA. NPRDI IV⁸⁷ supports participation in the EU research framework programme and other European and international research initiatives, as well as the development of bilateral/multilateral cooperation for RDI.

The investments financed from the ERDF (COP⁸⁸ and SGDFIP⁸⁹) aim to create synergies with the Horizon Europe Programme, as well as to attract experienced researchers from abroad and to set up groups of excellence for applied research, experimental development and innovation (in complementarity with the actions for basic research financed under NRRP).

At the regional level, RP South-East supports interregional and international cooperation projects and partnerships, including the participation in the Horizon Europe Programme and within S3 platforms for regional smart specialization areas.

The measures presented in this sub-chapter can contribute to the fulfilment of SDG 2, SDG 3, SDG 9, SDG 13, and SDG 14.

⁸⁷ NPRDI IV, Programme 5.8. - European and international cooperation

⁸⁸ COP, PA 1, Action 1.1.3 - Creating synergies with RDI actions of Horizon 2020 and other international RDI programmes

⁸⁹ SGDFIP, Priority 1, Action 1.3 Integrating the national RDI ecosystem into the international and European Research Area

3.5. Employment and social policies

Reforms and investments in NRRP

The social objective is a priority of Pillar V of NRRP - Health, and economic, social and institutional resilience in Component 13 Social reforms. Given that many of the planned reforms have a social dimension, social issues are addressed in the components of Pillars I, II, IV and VI of NRRP.

In the timeframe Q2/ 2022 - Q1/ 2023, measures have been implemented to make effective:

- The legislation implementing the *National Strategy on preventing the institutionalization of adults with disabilities and implementing measures to accelerate it and prevent institutionalization, as well as on amending and supplementing some laws*;
- The legislation for the approval of the enforcement guidelines of minimum inclusion income - *Law No 56/2023 for the approval of GEO No 114/2022 amending and supplementing Law No 196/2016 on minimum inclusion income and GD No 1154/2022 for the approval of the enforcement guidelines of Law No 196/2016 on minimum inclusion income*;
- The legislation for the adoption and implementation of the Strategy on Long-term Care - *Law No 355/2022 amending and supplementing Law No 17/2000 on social assistance of elderly, GD No 1492/2022 for the approval of the 2023-2030 Strategy on Long-term Care and Active Ageing and Order of Minister of Labour and Social Solidarity No 2143/2022 amending and supplementing Order of Minister of Labour and Social Solidarity No 29/2019 for the approval of the minimum quality standards on accrediting social services for elderly, homeless people, post-institutionalized young people and other adult people in need, as well as community-based services, integrated services and social canteens*;
- *Law No 111/2022 on regulating the work of the domestic worker and GD No 822/2022 on approving the Norms on implementing the provisions of the Law No 111/2022 on regulating the work of the domestic worker*;
- *GEO No 33/2022 amending and supplementing Law No 219/2015 on social economy and GD No 876/2022 amending and supplementing the enforcement guidelines of Law No 219/2015 on social economy approved by GD No 585/2016*.

Information also available in Annex II on FENIX database.

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OTHER MEASURES (in addition to NRRP)

Key directions:

- ✓ **Modernising the labour market institutions and services**
- ✓ **Increasing the inclusive and equal access to quality and sustainable employment for the entire population able to work, with focus on disadvantaged groups**
- ✓ **Mitigating the impact of the transition to climate-neutral economy on employment**
- ✓ **Adult participation in continuous training**
- ✓ **Promoting employment, economic growth, gender equality, social inclusion and local development in rural areas**
- ✓ **Reducing poverty, social inclusion and increasing the access to social services of vulnerable groups**

✓ **Improving the access to essential services, including combating energy poverty**

Additional information can be found in Annex I regarding the CeSaR database and Annex III regarding the European Pillar of Social Rights.

The foreseen interventions aim at improving PES capacity, implementing employment policies in order to strengthen the labour market and social policies dedicated to vulnerable groups, such as children, young people, elderly, people with disabilities, etc.

Modernising the labour market institutions and services

In 2023, ANOFM carries on the activities for its institutional development, financed by ESF under HCOP, specifically the completion of projects *PES relationship with employers - eSPOR*, *Case management - Process of labour market inclusion* and *ReCONNECT - Adaptation to change - Integrated Mechanism of Anticipating, Monitoring, Evaluating the Labour Market and Education*, having the objectives below:

- Digitalisation of services dedicated to employers; streamline / redefine the work methodologies and procedures, and create new ones; develop online tools to facilitate employers duties; cutting red tape;
- Digitalisation of services dedicated to jobseekers, especially information and counselling services; profiling; training; streamlining / redefining work methodologies and procedures and creating new ones; large-scale implementation of self-service processes for jobseekers; cutting red tape;
- Enhancement of the capacity to carry out analyses and forecasts on the skills needs on the labour market, to monitor and evaluate public policies, and to anticipate skills needs;
- Training of own staff.

Complementary to these projects, by EEP, Priority 1 - Modernizing labour market institutions, interventions will be financed in order to **develop PES capacity to provide custom-tailored services in accordance with the labour market needs and to improve the perception among clients**. To the extent the call for proposals is launched in 2023, ANOFM will submit a project application aiming at developing/ updating tools, processes and mechanisms linked to the labour market developments; providing custom-tailored services according to the needs of PES beneficiaries by developing a partnership network and developing/ updating protocols; streamlining PES activity by recruiting staff and developing human resource skills; improving visibility and promoting PES services.

Increasing the inclusive and equal access to quality and sustainable employment for the entire population able to work, with focus on disadvantaged groups

The impact of the pandemic and the aggression of the Russian Federation against Ukraine, as well as the consequences of the energy crisis impacted directly the labour market. However, in 2022, the employment rate of the population aged 20-64 was 68.5%, i.e. a 1.4 p.p. increase if compared to the previous year.

The employment rate was higher for men (71.5% compared to 54.4% for women), and for people in urban areas (68.6% compared to 56.3% in rural areas). The employment rate of young people (15 - 24 years old) was 19.7%, the same as in 2022.

In 2022, the unemployment rate remained moderate, i.e. at 5.6%, a value equal to the one in the previous year. By age groups, the unemployment rate reached the highest level (22.8%) among young people (15 - 24 years old)⁹⁰.

Considering the objectives of strengthening the labour market and ensuring an inclusive access to sustainable employment, further actions are delivered by the **2021 - 2027 National**

⁹⁰ See: https://insse.ro/cms/sites/default/files/com_presa/com_pdf/somaj_2022r.pdf

Employment Strategy (SNOFM), which provides the correlation of all interventions dedicated to the entire potential of Romania's workforce. The overall target of 2021-2027 SNOFM is to achieve an employment rate of 75% of the population aged 20-64, by the end of 2027. Moreover, the measures planned and implemented under this strategy will contribute to the achievement of the employment target undertaken in the Action Plan of the European Pillar of Social Rights.

Furthermore, measures are planned to activate the inactive people able to work, the unemployed, particularly the long-term unemployed, young people, including NEETs, women with dependent children, and other disadvantaged categories, as well. Rapid and quality transitions in the labour market are facilitated, human resources are developed, entrepreneurship and self-employment are stimulated, and the creation of new opportunities and jobs are fostered. Other initiatives aim at developing quality employment, promoting a competent, skilled and adaptable workforce, fostering the social dialogue to increase the convergence, improve the resilience of the labour market and to reduce the territorial disparities, as well.

In 2023, vulnerable groups facing challenges in terms of participation in the labour market are delivered custom-tailored measures both through the *National Employment Programme* implemented by ANOFM (financed by the unemployment insurances budget - UIB), and through other initiatives conceived to integrate jobseekers or the inactive people into the labour market. The resources allocated through EEP prioritize the **increase of the access to the labour market for all**, with interventions aiming at integrating socially and economically people from disadvantaged groups, and at reducing the labour shortages and the seasonal migration.

Employers will be supported in order to maintain jobs in economic activities or sectors facing systemic problems, and the transition to new jobs of those workers who are subject to redundancies or dismissal will be facilitated. Other interventions funded under EEP will aim at adapting the working conditions to the worker needs, including by arranging facilities for supervising and taking care of preschool children, and supporting the active ageing through tutoring/ mentoring programmes for training and integrating new workers.

Initiatives conceived to **improve the participation of young people in the labour market, especially NEETs young people**, are supported in order to implement the Reinforced Youth Guarantee. For instance, the project *Increasing Work Prospects of NEETs through capacity building and improved policy measures (Work4NEETs)*, signed in 2023⁹¹, aims at improving the policy tools to insert the disadvantaged groups into the labour market, especially young NEETs, and to strengthen PES capacity.

Young NEETs will be delivered packages of measures including information and counselling services, profiling, mediation, apprenticeships, vocational training or subsidies. Complementary to UIB funding, a priority of EEP **capitalizes the potential of young people in the labour market** by acquiring entrepreneurial, digital and green skills and by providing financial aid to start a business, including in the social economy field. A network of PES partner institutions will be developed to provide services to facilitate the young NEETs integration into the labour market.

MMSS aims to implement a project funded by EEP that boost the **entrepreneurial initiatives to integrate the disadvantaged people into the labour market**. Given the untapped potential of the social economy, the social and professional integration of vulnerable people into the social insertion enterprises will be supported, tools will be developed to monitor and raise the awareness on the social economy by creating collaborative/ participatory structures, and the social economy entities will be supported logistically and organisationally. The project will improve the access to the labour market of the long-term unemployed, disadvantaged groups, and inactive people, and promote the self-employment and the social economy, as well.

⁹¹ MMSS is a partner in the project financed by INTERREG EUROPE Programme - the European Regional Development Fund (ERDF), Programme Objective No 4 "A More Social Europe", the Specific Objective (I) "Effectiveness and inclusiveness of the labour market, access to quality jobs, the social economy"

Mitigating the impact of the transition to climate-neutral economy on employment

Investments, financed through JTP, include the acquisition of new skills/ vocational (re)qualification of workers in industrial sectors facing the risks raised by the transition to a climate-neutral economy.

Measures to increase the capacity of county employment agencies to update regularly the training needs linked to the economic transformation, in collaboration with economic and social partners, and measures to develop and equip the vocational training centres accompany the interventions. The county employment agencies will deliver programmes for skills updating and/or retraining, active employment measures and social and vocational support services.

The creation of new jobs will be supported by developing enterprises and entrepreneurship, as well as through investments in greening and conversion of buildings deteriorated by the decline or transformation of economic activities in those regions⁹².

Adult participation in continuous training

As national coordinator for the implementation of the *European Agenda for Adult Learning*, MMSS drafts the **2023-2027 National Strategy for Adult Training**. The general target of the strategy is to **increase the rate of adult participation in training to 12%**. Measures to ensure the quality of training programmes and to develop the adult skills according to personal goals and labour market needs will facilitate this achievement.

Ensuring the quality of adult training programmes by applying the quality standards of the education and vocational training system, both to policy makers and to authorized training providers represents the main challenge. To this end, a strategic project, funded by EEP, will support the **implementation of quality assurance systems of adult vocational training**, both at system (strategic intervention) and provider level.

Improving and modernizing the national career management system and developing skills of career management practitioners will be delivered through another strategic project, funded by EEP, and implemented by MMSS in partnership with MEd and INCSMPS. A **system providing career management services to adults** will be developed and rendered operational, including through vouchers.

Job needs related training programmes continue to be provided, including the acquisition of digital skills, both by ANOFM training network and by authorized training providers. The *National Training Plan* of ANOFM includes, for each county, key skills development programmes (digital literacy and numeracy) and NQF Level 1 qualification programmes for the unemployed with no education or with a very low education.

The implementation of the project *ReCONNECT - Adaptation to change - Integrated Mechanism of Anticipating, Monitoring, Evaluating the Labour Market and Education* continues in 2023, for additional information please refer to [Annex I](#).

Promoting employment, economic growth, gender equality, social inclusion and local development in rural areas

Investments financed under CAP Plan and dedicated to rural area development, poverty reduction and addressing the depopulation phenomenon in these areas will **support young farmers to become managers of agricultural holdings and the modernization of non-agricultural enterprises**. Moreover, the implementation of LEADER local development strategies and the **agricultural products processing/ storage enterprises** will be financed.

In addition, financial support for integrated interventions (through EEP) will create **employment opportunities for people facing the seasonal migration and those employed in subsistence agriculture in rural areas**. The **social economy sector** would address the challenges in rural

⁹² Gorj, Hunedoara, Dolj, Galati, Prahova and Mures counties, included in Annex D of 2020 Country Report to be supported by 2021-2027 Just Transition Fund

areas, the funds provided through SIDP facilitating the social and professional integration of people from vulnerable groups.

Interventions financed by SIDP will improve the welfare of the population in rural communities with limited or lacking access to social services. The **primary social assistance system will be developed and the collaboration with the health and education system will be strengthened** within the integrated community centres. The implementation of CLLD mechanism in rural areas, financed by SIDP, will support vulnerable groups facing the risk of poverty or social exclusion. **Lifting vulnerable children in rural areas and their families out of poverty** will include the provision of educational services and interventions targeting the educational establishments, measures to address school dropout, and also cultural and social services.

The financial support, granted through CAP Plan, will **improve the quality of the basic infrastructure**, namely the construction, expansion and/or modernization of the network of roads of local interest and agricultural access roads. LEADER interventions aim at **supporting the revitalization of rural services through digital and social innovation**, by smart village type investments.

Reducing poverty, social inclusion and increasing the access to social services of vulnerable groups

In 2021, the poverty rate was on a downward trend compared to 2020, reaching 34.5%, reduced by 1.1 p.p. Between 2019 and 2021, the number of people at risk of poverty or social exclusion in Romania decreased by 446 thousand people, being diminished from 7,032 thousand people in 2019, to 6,586 thousand people in 2021. In 2021, almost 2.0 million people were at risk of poverty and were severely materially and socially deprived (10.5%)⁹³.

Using resources both from the State Budget and from European funds with multiple levels of intervention will facilitate the achievement of the **national target on poverty reducing undertaken in the Action Plan of the European Pillar of Social Rights, i.e. the reduction of population at risk of poverty or social exclusion by 2,532 thousand people by 2030, compared to 2019.**

As of 2022, Romania has started a thorough reform framework in the field of social policies in order to reduce poverty:

- **2021-2027 National Strategy on Social Inclusion and Poverty Combating** provides measures to tackle poverty, right to social assistance, access to services of general public interest, social and economic participation of vulnerable groups, observing human rights, as well as measures of recovery and resilience of the social services system in special circumstances;
- **2022-2027 National Strategy “A fair Romania” on the Rights of Disabled People** aims at ensuring the full and effective participation of people with disabilities, based on freedom of decision, in all areas of life, and in an accessible and resilient environment;
- **2023-2023 National Strategy on Long-term Care and Active Ageing** aims at increasing the number of elderlies who live an independent live for as long as possible as they are getting old, and at improving access to appropriate long-term care services for dependent old people;
- **2022-2027 National Strategy on Social Inclusion of Homeless People** aims at increasing the social inclusion of this category of people by ensuring a social protection tailored to their needs.

For 2023-2026, according to the **2022–2030 National Strategy on preventing the institutionalization of adults with disabilities and accelerating the deinstitutionalization**

⁹³See:

https://insse.ro/cms/sites/default/files/field/publicatii/dimensiuni_ale_incluziunii_sociale_in_romania_2021.pdf

process, Romania undertook the acceleration of the deinstitutionalization process of the disabled adults. The planned measures will facilitate the **implementation of the “UN Convention on the Rights of Persons with Disabilities” by local communities**. As of 1 January 2031, social service providers accredited by law are no longer allowed to establish residential centres for disabled adults, with the exception of respite centres/ crisis centres. The financing mechanism of the disability system disburses funds provided that the key performance indicators and quantifiable objectives are achieved.

Another priority of the Government is to strengthen the implementing framework of policies dedicated to people with disabilities. The **establishment of the National Disability Management System** will facilitate the access of the disabled people to their own file, will monitor the implemented measures and will lead to a better substantiation of the dedicated public policies. The process will render operational a central platform and adapt the IT systems of local public administration authorities, so that the data flows are managed on a steady basis. As of 1 May 2023, the local public administration authorities have the responsibility to make use of this system.

Custom-tailored services will be developed to ensure the transition of people with disabilities to an independent life, with a person-centred approach. Funding from the State Budget and European funds (by SIDP) will target the community-based services, day/ multifunctional/ respite/ crisis centres, medical assistance and medical recovery services, housing services. Complementarily, NRRP finances investments for developing and renovating the infrastructure of community based services for these people.

A strategic project will deliver **training programmes to professional personal assistants (PPA)**, prepare the transfer of the payroll responsibility to the State Budget and develop a national database of the network of PPA and specialized staff in the system.

In order to develop the work potential, **persons of active working age with severe, accentuated or moderate disabilities**, who participate in vocational programmes or assisted employment or training classes, personal development or skills improving programmes in sheltered workshops **benefit, based on a personal assessment, from the employment insertion incentive**. The incentive is granted to them on demand, on a fixed term, regardless of their own income⁹⁴. Measures will be launched to **strengthen the capacity of social and economic integration of people with disabilities and to retain them in the labour market**, by the implementation of a strategic project, financed by SIDP. An innovation and inclusion cluster will be developed - a platform for integration of people with disabilities into the labour market.

According to Law No 355/2022 amending and supplementing the Law No 17/2000 on the social assistance of elderly, the **care services for elderlies** are delivered mainly at their homes and in day care and recovery centres, and only in exceptional circumstances, in a retirement home, in a sheltered housing or in another residential centre. As of 2023, the share of the resources allocated from the State Budget and broken down from VAT is at least 30% of the minimum cost standard, in addition to the amounts allocated from the Local Budget, for home care units, day care and recovery centres, and retirement homes. In order to support the informal care, the percentage allocated is at least 30% of the allowance provided to the informal caregiver.

The social services are financed observing the principle according to which *the financial resource is allocated to the beneficiary*. The budget allocation provided by the service/ care and assistance plan to the beneficiary of social services is transferred to the social service provider with whom the beneficiary/ legal representative concluded a contract. The estimate of funds from the State Budget complies with the provisions of Article 134 paragraph (2) of the Law No 292/2011 on social assistance with subsequent amendments and completions.

The development of **social services for elderly** will alleviate their poverty. Between 2022 and

⁹⁴ Law No 7/2023 on supporting the deinstitutionalization process of adults with disabilities and implementing measures to accelerate deinstitutionalization, and prevent the institutionalization, as well as on amending and supplementing some laws

2024, several programmes of national interest financed from the State Budget have been approved and amounted 52.044 million lei (roughly 10.4 million euro). Social services for elderly, home-based community services, catering services, day care and recovery centres and community assistance social services will be developed. Complementary, MMSS launched the procedures under NRRP to finance investments to establish a network of day care and recovery centres for elderlies.

In 2023, funds from the State Budget, from amounts broken down from VAT, are allocated to finance the operating expenses of retirement homes in counties, villages, cities, municipalities, sectors of the municipality of Bucharest and the municipality of Bucharest.

In accordance with their specific needs, **homeless people** will be delivered (by SIDP) targeted social services, reintegration into the education system, employment services, medical services, access to shelters and housing, or accompanying measures.

The same programme will finance integrated services for other groups at risk of social exclusion (e.g. migrants, victims of domestic violence, victims of human trafficking, people released from detention, people addicted to gambling, drugs or alcohol), and training programmes for the professionals in this field.

Implementing the Child Guarantee will play an important role in **preventing and combating poverty of children in need**. Increasing the access to social, education, health and nutrition services, and housing dedicated to children considers the territorial dimension of poverty and social exclusion, as well.

As of 1 October 2022, as a part of the reform on protecting and promoting children's rights, the placement of children who have not reached the age of seven in a residential type service is banned. The only special protection measures are the placement with the extended or substitute family or with a foster carer⁹⁵. To this purpose, the **deinstitutionalization of children and the transition from social services provided in the residential system to community services** are financed.

In the last six months of their institutional placement, **young people who benefited by a special protection measure** are supported to find employment and a home. They are monitored by the public social assistance service for two years and receive a one-off allowance. The amount is three times the value of the minimum gross salary. Their **transition to an independent life will be facilitated** by improving their skills and by social integration measures.

The National Information System for Adoption - SINA - will provide all the necessary information in order to generate the e-file of the child at risk of separation from the family. The system represents the core of the **National Child Observatory** allowing to identify, register and monitor children at risk. The allocation of funding to local authorities for social services dedicated to children will consider the number of children registered in the Observatory. **Integrated social services will be developed for children and their families**, including interventions to prevent the institutionalization and to accelerate the transition from residential to community-based services, as well as **dedicated assistance for single-parent families**.

Moreover, resources will be allocated to develop services for children and teenagers with behavioural disorders and multifunctional/ sports/ culture centres for children in remote or disadvantaged areas.

Supporting vulnerable families is another priority. MFTES will launch a **National Family Project Competition** in order to facilitate the civil society represented by the NGOs to submit projects improving the well-being of communities. MFTES proposes a **national voucher for large families** (with three or more children) that provides discounts for various services and certain products, as well.

The implementation of the **Social Programme of national interest for supporting couples and**

⁹⁵ Law No 191/2022 amending Law No 272/2004 on protecting and promoting child rights

single people to increase the birth rate is in progress in 2023. This financial assistance addresses 10,000 beneficiaries who would receive a non-taxable financial aid (as two paper vouchers), amounting to 15,000 lei.

Several *Social Programmes of national interest for family policies, youth and protection of children rights* are under approval and implementation: the **Social Programme on prevention A child, a smile** addresses children aged 10 - 17; the **Social Programme MATERNA** for preventing disorders that may occur during pregnancy; the **Social Programme EDUCATION FOR ALL** for paying expenses for early education addresses low income families with to pay services provided by after-schools, nurseries or public or private kindergartens.

The implementation of the **Programme subsidizing the associations and foundations with legal personality establishing and managing social assistance institutions** according to the Law No 34/1998 with subsequent amendments and completion is ongoing in 2023. The Order of Minister of Labour and Social Solidarity No 2272/2022 approved the finance, totalling 117,510 million lei, for 501 social services targeting 12,689 beneficiaries at national level.

CLLD interventions in urban areas, funded under SIDP, will **mitigate the exclusion and social segregation of people from marginalized communities and low-income households**. The access to integrated social, health and education on health, employment and education services of marginalized people from Roma communities will be supported.

The Programme *Support for Romania* has been extended until 31 December 2023. The assistance is provided to **people at risk of severe material deprivation**⁹⁶ (basic food/ hot meals). Under SIDP, Priority 10 - Aid to the deprived people, measures mitigating the social exclusion of the materially deprived persons will be implemented. The aid will target also **students enrolled in public education system (preschool, primary, and secondary), coming from disadvantaged families** (school supplies and clothing), and **mother - new-born couples with the most disadvantaged social and economic background** (new-born care products).

[Improving the access to essential services, including combating energy poverty](#)

The **2022-2050 National Housing Strategy** addresses the issue of vulnerable groups facing challenges of inadequate housing conditions from the social inclusion perspective. In order to provide a decent standard of living to vulnerable categories of the population, the State Budget funds programmes of **construction of social housing** - social and emergency housing and housing for young people for rent. According to the Law No 45/2022, the **Programme of social and emergency housing** will be implemented to complete the investment objectives transferred to the 2023 - 2026 period.

SIDP resources will be allocated to the **social housing infrastructure** for population in marginalized communities and vulnerable groups, and to **measures regulating the informal settlements**. These are accompanied by integrated community inclusion services. The investments will mitigate the poor living conditions and combat discrimination on the **access of the Roma population to social housing**.

The access of the population from remote areas and disadvantaged communities to essential services at quality and safety standards is also supported by the **development of the basic infrastructure of water supply and water treatment plants, sewage and water sewage treatment plants, roads/ access to roads and the expansion/ connection to the natural gas systems** (through the National Investment Programme *Anghel Saligny*). In addition, other investments financed from the State Budget, through NPLD, are implemented to develop the water supply and sewerage networks.

Facing the challenges raised by the evolution of energy prices, Romania adopted some **social protection measures for the vulnerable energy consumer** - aid for home heating and the energy

⁹⁶ GEO No 165/2022 amending GEO No 63/2022 on some temporary measures providing material aid to certain categories of people at risk of material deprivation and/or risk of extreme poverty, partially financed by external non-reimbursable funds, as well as some delivery measures thereof

supplement in order to pay a part of the household energy bills throughout the year; capping the electricity price for certain vulnerable categories of household customers⁹⁷; and the temporary mechanism for the centralized purchase of electricity⁹⁸.

In order to **mitigate the energy poverty in local communities facing the impact of the transition to climate neutrality**, in Gorj, Hunedoara, Dolj, Galati, Prahova and Mures counties, investments financed by JTP will be supported. The investments will increase the energy resilience of households and public institutions as schools, hospitals, retirement homes, nurseries, social services, etc.

Investments increasing the energy efficiency and resilience of residential buildings, financed under NRRP and RP, will have an important input on **reducing the energy poverty of the population**.

Other interventions to improve the population access to the utility infrastructure and to essential services are available in chapter [3.2. Green transition](#).

The measures presented in this chapter can contribute to the fulfilment of SDG 1, SDG 2, SDG 4, SDG 5, SDG 6, SDG 7, SDG 8, SDG 10 and SDG 11.

⁹⁷ GEO No 192/2022 amending and supplementing GEO No 27/2022 on measures applicable to end consumers on the electricity and natural gas market in the period 1 April 2022 - 31 March 2023, as well as on amending and supplementing some laws in the energy sector

⁹⁸ GEO No 153/2022 amending and supplementing GEO No 27/2022 on measures applicable to end-consumers in the electricity and natural gas market in the period 1 April 2022 - 31 March 2023, as well as on amending and supplementing some laws in the energy sector, and amending GEO No 119/2022 on amending and supplementing GEO No 27/2022

3.6. Health

REFORMS AND INVESTMENTS IN THE NRRP

NRRP includes a dedicated component for the healthcare sector, thus reflecting the CSRs on improving access to healthcare and cost-effectiveness of the health sector, such as and strengthening the resilience of the health system, including in terms of medical staff. The health field is addressed as a priority in the Component 12 - Health.

In the timeframe Q2/2022 - Q1/2023, measures have been implemented for:

- The entry into force of the legislative framework establishing the National Agency for Development of Infrastructure in Health (ANDIS) through the adoption of the *Law No 66/2023* (previous approval of the *GEO No 76/2022 on the establishment, organization and operation of ANDIS*);
- The entry into force of the legislative framework on the capacity development for the health services management and the management of human resources in health through: *Law No 308/2022 on the approval of the GO No 14/2022 for the amendment and completion of the Law No 95/2006 on the health reform, GD No 1183/2022 on the organization and operation of the National Institute of Health Services Management, GD No 854/2022 for the approval of the Multiannual Strategy for the development of human resources in health 2022-2030 and MS Order No 3143/2022 on the establishment of the quality assessment criteria for the approval of training courses in the health management or the health services management.*

Information also available in Annex II regarding the FENIX database.

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OTHER MEASURES (in addition to NRRP)

Key directions:

- ✓ Starting the implementation of the 2021-2027 Health Programme and the National Health Strategy;
- ✓ Modernizing the health infrastructure and healthcare network at regional level;
- ✓ Increasing the access of people, including the vulnerable persons, to quality medical services;
- ✓ Improving the efficiency and financial sustainability of the health system;
- ✓ Digitalisation of the health system.

Additional information available in Annex I regarding the CeSaR database, as well as in Annex III regarding the European Pillar of Social Rights.

Increasing the accessibility and resilience of the health system by implementing the reform of this field is one of the priorities undertaken in the Programme for Government 2021-2024. This priority will be supported both by investments financed from the Romanian NRRP, but also from the programme targeting health sector which was set up under the 2021-2027 MFF.

The measures from the NRP including those aiming it increasing the resilience of the health system respond to CSRs requirements addressed to Romania on the health field, while the integration of the principle related to this field, stated within the *European Pillar of Social Rights* is also pursued. Moreover, the 2019 and 2020 CSRs on health addressed to Romania have

been considered, including in the elaboration of the 2021-2027 Health Programme⁹⁹, which proposes the financing of seven priorities¹⁰⁰ that support the implementation of the National Health Strategy 2023-2030.

[Starting the implementation of the 2021-2027 Health Programme and the National Health Strategy](#)

In 2023, through the Health Programme (HP), it is estimated that 79 calls with a total value of 5.45 billion euro (over 90% of the record budget of 5.88 billion euro) will be opened for investments in health infrastructure, screening services, family medicine and school medicine, as well as for the digitalisation of the public health system and for applicable medical research solutions. The 2021-2027 HP includes, in addition to measures related to *health infrastructure*, a series of measures on *medical research* with both predefined interventions in the fields of genomics, vaccines, cancer therapy, as well as interventions for medical research that will be selected through a competitive mechanism. The digitalisation in the medical field will be financed both the *National Data Observatory* and the e-health solutions at the national level to increase access to medical data and improve public policies in the health field. ESF+ measures will target the development of tools/ methodologies/ guidelines, etc., personal training and medical services for vulnerable groups.

Regarding the **National Health Strategy**, the draft GD on the approval of the strategy and the Action Plan for the 2023-2030 timeframe necessary for its implementation was open to public consultation in April 2023 (please refer to [Annex I](#) for additional information).

[Modernizing the health infrastructure and healthcare network at regional level](#)

In order to improve the provision of medical assistance at the regional level, **the largest earmarking from the 2021-2027 HP is for the hospital infrastructure** (i.e. 2.8 billion euro), with investments necessary for the construction of the three regional emergency hospitals in Iasi, Cluj, Craiova to be financed. Moreover, the construction and equipment of at least 7 county hospitals, as well as the construction/rehabilitation/equipment of 20 municipal and city public hospitals will be financed from the HP. Considering that on 24 March 2023, it was concluded the Delivery-Receipt Protocol on the transfer from the MS of the activities and staff of the *Directorate for Monitoring Implementation of Regional Hospitals* to the *National Agency for Development of Infrastructure in Health* (ANDIS). On 3 April 2023, the *Delegation Agreement on the implementation of investment projects with the object of regional emergency hospitals Iasi, Cluj and Craiova* was concluded between the MS and ANDIS will be responsible for the continuation of these projects, and for launching future public procurement procedures (for additional information please refer to [Annex I](#)).

In the case of measures financed from the ROP and aimed at **increasing access to outpatient medical services**, by late March 2023, 143 projects concerning the outpatient infrastructure and 83 projects on infrastructure of integrated community centres have been signed.

[Increasing the access of people, including the vulnerable persons, to quality medical services](#)

Over the past years, the implementation of the **health/ screening programmes** on various topics has continued to increase the access to quality medical services. In addition, the 2014-2021 EEA and Norway Grants feed in with a total budget of 47 million euro to improve the disease prevention related policies and services, and to increase access to healthcare services for

⁹⁹ Multi-fund programme financed from the European Regional Development Fund and the European Social Fund

¹⁰⁰ 1) Increasing the quality of primary, community medical assistance services, services provided in an outpatient setting and improving and strengthening preventive services; 2) Rehabilitation, palliation and hospitalization services for chronic diseases tailored to aging demographic phenomenon, disability impact and morbidity profile; 3) Increasing the effectiveness and resilience of the medical system in critical areas of strategic relevance, with a cross-cutting impact on medical services and health status; 4) Investments in new hospital infrastructures; 5) Innovative approaches in medical research; 6) Digitalisation of the medical system; 7) Measures supporting the oncology and transplantation fields.

vulnerable groups (as shown in [Annex I](#)). Several projects are underway, such as the one related to the strengthening the national network of primary healthcare providers or developing and implementing integrated community services to combat poverty and social exclusion.

As from 2023, a pilot project will be implemented with the aim of increasing access to medical and medico-social services for vulnerable population from areas with limited access to basic healthcare services, from remote communities, and from areas with low healthcare access. Additionally, between Q3/2018 and Q4/2022, over 738,500 low and middle income retirees benefited from medicines in outpatient care.

In 2022, a series of joint MS/CNAS Orders were issued through which several types of provisions were regulated, such as the **expansion of the medical services packages in primary healthcare, but also of the basic package of medical devices granted in outpatient**, in the sense of including new medical devices and physical medicine and rehabilitation services provided in outpatient treatment facilities, for changing the tariffs applied to emergency consultations at home and to unassisted medical transport services, as well as for increasing access to dental care services by doubling the indicative amount/consultant/month.

Projects related to palliative care and care offered at home, and on vaccination in Romania are implemented to **strengthen the institutional capacity** in the provisioning of safe and quality medical services to patients (for additional information *please refer to Annex I*).

[Improving the efficiency and financial sustainability of the health system](#)

In 2022, the share of expenditures for the medical services provided on an outpatient basis in the total expenses for materials and services of medical nature was 19.33%, the highest percentage (i.e. 8.85%) being granted to the primary healthcare, while in the timeframe 2020-2022 more than 185 new international common denominations related to various conditions were included in the reimbursement system, while the project *Improving quality and performance of hospital services through cost assessment and standardization* (SIPOCA 724) is under implementation.

Efforts are also being made to extend the mandate of the ONAC as a measure by the Romanian Government to achieve savings in the health sector. Next is the initiation of steps to amend the legislative framework on the expansion of the ONAC's mandate.

[Digitalisation of the health system](#)

In September 2022, the implementing regulation of legislation in the telemedicine was approved (GD No 1133/2022). Under the 2014-2020 COP, two projects related to the e-health (including telemedicine) are implemented.

At the same time, in February 2023, under the POC, the project *Efficiency and improvement of the quality of the services provided by the military medical network through the development at national level of an integrated system of communications, archiving and processing of multimedia medical investigations, within the Informatics System of Defence Telemedicine (SITA) - MILMACS* was signed. Additionally, at the CNAS level, the project *Integrated Management System in the Social Health Insurance System*, financed by the ACOP, is implemented. Moreover, in 2022, the CNAS obtained a grant for the development of the ePrescription system at the national level.

The measures on the digitalisation of the medical system will continue including via investments financed from the 2021-2027 HP. In this context, within the 2021 - 2027 HP, the CNAS intends to implement two projects i.e. the SIGMA - SMART and the e-Health History (eDES), which will digitalise the forms used in the medical system and expand the collection of data in the *Electronic Health Record* (EHR) by including all categories of medical service providers. CNAS has submitted a project application for the approval of a grant for the development of the Patient Summary project, which would provide access to the EHR across the whole EU.

Implementation of measures targeting the health field will continue by **increasing the access of individuals, including of the vulnerable people, to quality medical services¹⁰¹**, developing the institutional capacity to provide such services safely to patients, including by training the medical staff, and **improving efficiency and the financial sustainability of the health system.**

The **modernization of the health and healthcare infrastructure at the regional level will be pursued by the investments in outpatient facilities, school medicine or family practitioners, digitalisation of the health system** and other measures aimed at ensuring **prevention¹⁰²**, but also the reduction of morbidity and mortality from communicable and non-communicable diseases. It is also estimated that from 2023 it will be possible to access the funds from the 2021-2027 HP earmarked for the digitalisation of the medical system through the development of the *National Health Data Observatory*.

The actions taken in 2022 to **mitigate the effects caused by the COVID-19 pandemic on the health system** are available in [Annex I](#).

Measures presented in this chapter can contribute to the fulfilment of SDG 1, SDG 3, SDG 5, SDG 10 and SDG 11.

¹⁰¹ Increasing access to the medical and palliative care at home by amending the eligibility conditions of providers in accordance with their authorization conditions, the access of insured persons to medical and palliative care services at home throughout Romania, regardless of insurer, in order to prevent conditioning of the insured's access to these services from the administrative & territorial perspective.

¹⁰² Expanding the preventive consultations package in the primary health care, granting the paraclinical investigations recommended following preventive consultations with no budgetary conditions, as well as ensuring access of pregnant women to the paraclinical investigations necessary for pregnancy follow-up.

3.7. Education and skills

REFORMS AND INVESTMENTS IN THE NRRP

NRRP puts a special emphasis on education, having as general objective to increasing the resilience of the education system by modernizing the educational infrastructure and endowment, in conjunction with the present and future needs of the labour market, to ensure participation in quality, modern and inclusive education. Thus, the education area benefits from a dedicated component - Component 15 - Education.

In the timeframe Q2/2022 -Q1/2023, measures have been implemented for:

- Development of a unitary, inclusive and quality system of early education services through the adoption of *GD No 1604/2022 on the approval of the Methodology for the organization and operation of complementary early childhood education and care services* and by the joint order of *MEd, MFTES, MMSS, MS, MDLPA No 6424/ 20129/ 2257/ 3976/ 25/2023 on the development of unitary, inclusive, integrated and quality services for early education*;
- Building, equipping and rendering operational 110 nurseries, by concluding contracts with public operators (municipalities);
- Reform of the compulsory education system to prevent and reduce early school leaving through: *OMEd No 6447/2022 on the amendment and completion of Order No 6.000/2021 on the approval of the Early Warning Mechanism in Education (MATE) and the Methodology for the implementation and use of the MATE IT module for the prevention of school dropout and early school leaving* and *OMEd No 6.457/2022 on the approval of the Methodology on the management of the Early Warning Mechanism in Education (MATE) module of the Integrated Information System of Romanian Education (SIIR) for pre-university education activities*;
- **Setting-up a complete professional route for higher technical education**, through the enforcement of the legislation on the methodology for organizing the complete dual education route and the new qualifications resulting from the complete dual education route: *Law No 364/2022 on the approval of GEO No 128/2022 on the amendment and completion of the National Education Law No 1/2011*, *OMEd No 5732/2022 updating OMed No 3554/2017 on the approval of the Methodology for the organization and operation of dual education*, *OMEd No 5733/2022 on the approval of the Methodology for access and organization and conduct of admission to dual education for level 4 qualifications, according to the National Qualifications Framework*, *OMEd No 5734/2022 on the approval of the Methodology for access and organization and conduct of admission to dual education for level 5 qualifications, according to the National Qualifications Framework*, *OMEd No 5735/2022 on the approval of the Methodology for the development and updating of qualifications schooled through pre-university education* and *OMEd No 5442/2022 amending the Methodology-framework for organizing and conducting admission to dual education for level 3 qualifications, according to the National Framework of Qualifications*;
- Entry into force of the legislation establishing the profile of the future teacher with regard to digital skills and the evaluation means of digital skills in the teaching degree exams: four ministerial orders that regulate, in addition to the digital skills framework of the teaching staff, the inclusion in the training initial and continuous training of digital skills: *OMEd No 4150/2022 for the approval of the digital skills framework of the education professional*, *Order No 4151/2022 for the completion of the Methodology regarding the continuous training of pre-university education personnel*, *Order No 4136/2022 amending the Addendum No 5 to the Regulation on the inspection of pre-university educational establishments, approved by the Order of the Minister of Education and Research No*

6106/2020 and Order No 4.139/2022 on the approval of the Methodology-framework for organizing the psycho-pedagogical training programme to certify the skills for the teaching profession by the specialized departments within the accredited higher education institutions;

- The entry into force of the amendments to the legislative framework regarding the enhancement of the quality of learning environments through: three OMed on the endowment standards for early education, primary education and secondary education; OMed No 4147/2022 for the approval of the Framework Methodology on the organization and operation of green schools, OMDLPA No 1.203/2022 for the approval of the technical regulation "Regulation on the design, construction and operation of buildings for schools and high schools, reference number NP 010-2022";
- **Digitalisation of universities** and their preparation for the digital professions of the future by signing grant contracts for innovative technological centres in universities.

Information also available in Annex II regarding the FENIX database.

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OTHER MEASURES (in addition to NRRP)

Key directions:

- ✓ Increasing the quality of education and skills, including digital and green skills
- ✓ Developing and expanding early childhood education and care services
- ✓ Strengthening vocational education and training, including dual education
- ✓ Improving the educational infrastructure by creating “green” and modern schools
- ✓ Updating and matching the pre-university and university curriculum to labour market needs
- ✓ Preventing and combating early school leaving and university dropout
- ✓ Fostering the inclusive approach in education by supporting rural pupils and students, disadvantaged groups and non-traditional students
- ✓ Creating and developing an open and accessible lifelong learning framework and developing qualifications system
- ✓ Development of school camps/ leisure facilities for children and youth.

Additional information available in Annex I regarding the CeSaR database, as well as in Annex III regarding the European Pillar of Social Rights.

Relevant measures proposed in the draft laws on pre-university and university education - "Educated Romania"

In early 2022, the Ministry of Education developed the new legislative framework on education, following the completion of the "Educated Romania" Report. On 13 July 2022, the Ministry of Education published, for public debate, two draft laws, explanatory memoranda and presentations of the proposed reforms. Between 13 July 2022 and 24 August 2022, the draft education laws, i.e. the *Pre-University Education Law* and the *Higher Education Law*, were subjected to a wide consultation process encompassing representatives of civil society, public institutions and authorities, and to all stakeholders. In the period August 2022 - February 2023, a review of the proposals and the comments received was made. On 27 February 2023, the

Ministry of Education published the legal package on education titled "Educated Romania". The draft laws were approved in the Government session of 29 March 2023 and submitted to the Romanian Parliament for debate and approval.

The draft laws put forward coherent solutions, in accordance with the requirements of the beneficiaries of education, ensuring a unitary and systematic regulation of the domain, to solve the problems and challenges found, including in the country reports and CSRs, at the level of the national education and training system. The projects meet CSRs through measures that will ensure the improvement of the quality of education, ensuring equal access to education, especially for vulnerable groups and categories of beneficiaries, as well as the development, evaluation and recognition of key and professional skills needed in the labour market. At the same time, the drafts laws are conceptualized so that Romania benefit from a legal framework that supports its accession to OECD.

Increasing the quality of education and skills, including digital and green skills

On 18 January 2023, the Government approved the ***National Strategy on Education for the Environment and Climate Change 2023 - 2030***. The document sets out clear actions to increase education and raise awareness among children and youth with regard to sustainable development and environmental responsibility. The objectives and the measures foreseen are multi-layered (formal and non-formal education, human resources, including teacher training, investments, open resources, partnerships, etc.), through four strands of action: (1) Implementation of a National Educational Programme for the Environment and Climate; (2) Finding, promoting and facilitating solutions for the development and use of educational resources; (3) Creating, developing and supporting the rehabilitation of infrastructure for sustainable schools; (4) Training of human resources involved in education on the environment and climate change to promote a culture of sustainability in educational establishments.

In order to improve the quality management tools, ARACIP developed, updated and put forward standards, reference standards and performance indicators for the assessment and quality assurance in pre-university education¹⁰³. Moreover, ARACIP amended and supplemented GD No 993/2020, inter alia because there was a need to regulate some measures that proved effective during the pandemic (e.g. the possibility of organizing online or hybrid evaluation visits)¹⁰⁴. In that regard, the external evaluation was aimed to be focused on the educational process and learning outcomes. In 2022, 1,085 education providers were evaluated (authorization, accreditation, periodic external evaluation, reorganization of some components, change/extension of headquarters), and in the Q1/2023, 320 education providers submitted applications for external evaluation. ARACIP changed the structure of the external evaluation visit, through an online component (i.e. on consulting documents) and a site visit. In this sense, ARACIP aims to develop the digital skills of external evaluators and its internal apparatus, as well as a redefinition of its digital infrastructure, by increasing the data storage capacity and the security of access to the evaluation platform¹⁰⁵.

Through the systemic intervention carried out through the *Professionalization of the teaching career - PROF* project, being implemented between March 2021 and December 2023 (budget of 28 million euro/135.73 million lei, of which 120.15 million lei as grants), MEd reconsiders the professional training system for the teaching career, stepping-in both at the level of initial training (through practical internships), and continuous training (through the development of learning communities and flexible access and career development routes). The framework necessary for the operationalization of the institutional mechanism of teaching career mentoring

¹⁰³ GD No 631/2022 for the amendment of the Annex to GD No 994/2020 on the approval of the provisional operation authorization standards and the accreditation and periodic external evaluation standards in pre-university education

¹⁰⁴ GD No 649/2022

¹⁰⁵ The ARACIP platform <https://calitate.aracip.eu> aims to computerize the internal evaluation and the quality improvement process. It is used in both external quality assessment and internal assessment reporting. Each educational establishment has its own account on the platform where the results of its reviewing are public.

in pre-university education was developed by the National Teaching Career Mentoring Centre, through legislative changes, implementation of procedures and interconnection systems of all stakeholders in the institutional mechanism of teaching career mentoring in pre-university education and the allocation of appropriately designed premises. The European-like strategic benchmarks on teaching career in Romania have been developed, based on the application of questionnaires, the comparative analyses of educational systems and the inputs to the international scientific conference scheduled for November 2023. Through the OMed, the *National Corps of Mentor Teachers were established in pre-university education* and the *National Corps of Trainers in teaching career mentoring* and the *National Register of Teacher Mentors* and the *National Register of Trainers in Pre-University Education* were established. The last two continuous training programmes were accredited: *PROF III - Educational management in a mentoring context* and *PROF IV - Coaching in the teaching-learning-evaluation in a blended learning context*. The composition of the national network of application schools for the 2022-2023 school year was approved, as well as the curriculum falling within the school-based curriculum (SBC) for the high school level. Three SBC educational offers of were developed¹⁰⁶.

With regard to the ***development and integration of the IT system in education and research***, actions continued to prepare the interconnection of databases for higher education. Thus, as from the 2022-2023 academic year, the aim is to expand the Single Matriculation Register of Romanian Universities (RMUR) for postgraduate education as well, and to ensure the integration of reporting systems at the national level and provide a single, accurate and unified reporting, the collaboration between MEd and INS will continue, by providing a direct transfer of data from RMUR and the National Platform for the collection of statistical data for higher education (ANS) to INS, in order for MEd to become, through its platforms¹⁰⁷, a supplier of statistical and primary data to INS with regard to the education system.

In order to ***improve the level of teachers' skills***, through the project *Relevant Curriculum, open education for all - CRED*, the curricular qualification of teachers continues to provide a key skills oriented methodological approach. By April 2023, 55,093 teachers have been trained and around 8,700 open educational resources (OERs) have been validated and published. The teaching staff benefited from three training programmes, namely: 49,883 teaching staff in the programme titled *Relevant Curriculum, Open education for all - CRED*, 4,780 teaching staff in the programme titled *Management of the effective implementation of the national curriculum. MANAGER - CRED*, dedicated to principals and deputy principals in mainstream and special educational establishments, and 3,896 teachers within the programme titled *Digital educational resources: development, use, and evaluation. OER - CRED*.¹⁰⁸ As part of the pilot testing of curricular adaptation strategies in 25 disadvantaged schools, the assessment and selection of learning activities carried out in the pilot schools have continued, in order to be used in the best practices guide encompassing relevant curricular adaptation activities in schools located in disadvantaged communities. The *Collection of effective practices in the implementation of the new curriculum* is being developed. In early 2022, two categories of accredited continuous training programmes started: *Management of the effective implementation of the national curriculum: MANAGER - CRED* (nine training programmes) and *Digital educational resources: achievement, use, evaluation* (nine training programmes). In April 2023, a new training programme titled *The design and implementation of outdoor activities in the National Curriculum for primary and secondary education - CREDactout* started targeting the non-formal education, through which additional 480 teachers will be trained.

In order to develop the ***digital and intercultural skills of students and teachers***, the eTwinning Action supports the implementation of international digital partnerships through the *European School Education Platform*¹⁰⁹. In Romania, through eTwinning, teachers and students are actively

¹⁰⁶ On *Digital Education and Media Skills, Metacognitive Strategies*, respectively *Inclusive Education and the Development of Critical Thinking*

¹⁰⁷ The RMUR and ANS platforms are managed by UEFISCDI.

¹⁰⁸ Out of the categories of beneficiaries aforementioned, 3,466 teachers attended at least two training programmes

¹⁰⁹ See: <https://school-education.ec.europa.eu>

involved in digital partnership projects facilitating the development of transdisciplinary skills (our country being ranked among top 7 countries in terms of the number of participants in the Action). Annually, over 2,000 new teachers join the eTwinning Action (at the end of Q1/2023, 37,000 Romanian teachers were part of the eTwinning Community and more than 25,000 students were involved in the transnational eTwinning digital partnerships). At the same time, over the last year, the National eTwinning Centre provided (online and/or face-to-face) training opportunities for over 4,000 teachers.

The project *Promoting and supporting excellence in education through the development of skills in information technology* aims to improve the skills of students and teaching staff in the IT field. The project, financed by a non-refundable grant in the amount of 8.78 million lei provided by the Government of Japan, aims to ensure the optimal conditions for the preparation and development of students from grades IX-XIII, from the Mathematics-IT profile, who are capable of high performance. At the same time, the project provides for the provision of 60 centres with IT equipment, which is subjected to public procurement. In Q1/2023, the technical specification for the procurement of IT equipment was completed and negotiations for a new agreement with the Embassy of Japan to extend the project until 31 December 2024 are undergoing.

Agreements were concluded with 17 universities to finance from funds from the Romanian secondary education Project (*ROSE*), starting from the academic year 2022-2023, the participation of more than 1,700 high school teachers in 96 university professional reorientation programmes. The systemic interventions component of the ROSE Project finances the participation of Romanian students in international educational testing programmes, such as TIMSS 2019 and PISA 2022, which allows for a diagnosis of the educational system using valid and internationally comparable data, as a basis for recommendations and solutions for increasing the performance of the educational system and improving results-based national policies. In 2023, steps are being taken to financially support the participation of Romanian students in the TIMSS 2023 evaluation, as well as in studies focused on other key skills: competencies in civic and citizenship education - ICCS (International Civic and Citizenship Education Study) and ICILS (International Computer and Information Literacy Study). From the summer of 2023, the digital assessment pilot project will be expanded through the purchase of 11,985 new scanners.

The 2021-2027 Education and Employment Programme (EEP) provides, under Priority 7, interventions to increase the quality of the education and professional training offer to ensure the equity of the system and a better tailoring to the dynamics of the labour market and to the innovation and technological progress related challenges. The projects to be financed will consider the evolution of the labour market and will facilitate the access and participation in quality education programmes for all, diversified opportunities for training and development of students' key skills, as well as measures adapted to developments of the society, by applying tertiary studies and university programmes to support the twin green & digital transition. At the same time, EEP will support the internationalization of higher education and the support of Erasmus+ transnational mobility.

[Developing and expanding early childhood education and care services](#)

The legislative process on the development *of a unitary system of early education and, implicitly, for the organization and operation of early education services as integrated, inclusive and quality services* continues. In 2022, the MEd developed a series of normative acts which were approved: GD No 566/2022 for the approval of the Methodology on the organization and operation of nurseries and other pre-school early education units; OMed No 4126/2022 for the approval of the Methodology for organizing the National Programme for pre-schoolers and students "Summer Workshops"; OMed No 4143/2022 for the approval of the Standards on teaching-learning materials in early education and the Technical Standard of minimum equipment for early education services for children aged 0 to 6; GEO No 128/2022 on the amendment and completion of the National Education Law No 1/2011 regarding the establishment of complementary early education and care services of toy library type, playgroup

and community kindergarten, in remote and disadvantaged areas, as well as in areas where there are not enough places in nurseries or kindergartens; GD No 1604/2022 for the approval of the Methodology for the organization and operation of complementary early education and care services, and the amendment of Annex No 4 to GD No 369/2021 on the operational rules and regulations of the MEd; OMed No 6424/2022 on the development of single, inclusive and quality services for early education, whereby MEd, MFTES, MMSS, MS, MDLPA are to exercise duties and responsibilities for the development of these early education services. The Ministry of Education revised *the Operational rules and regulations of preschool education to harmonize it with the new legislative provisions*, including by changing its name in the *Framework rules and regulations of educational establishments with preschool and/or ante-preschool groups*; the document is to be completed and put forward for approval in Q3/2023.

As part of the *Inclusive and Quality Early Education (ETIC)* project, extended until 11 June 2023, the following activities are being completed: *Capitalizing on skills following training programmes*, within which two packages of educational materials were designed for the 2,184 graduate teachers of the two training programmes in the project and the *National raising awareness campaign on the new institutional and curricular framework, opened to quality services for pre-school children, as a prerequisite for preventing early school leaving*. By late Q1/2023, 90% of the activities of the ETIC project were implemented. Through this project, a GD proposal on the approval of quality standards for early pre-school education as well as an OMed on the development of a consistent institutional framework and quality assurance at system level, for the establishment of an institutional and legislative link between the institutions involved, were also developed at central and local level, including through joint activities for early intervention or development of early education services. Moreover, a draft Ante-preschool Education Guide was developed, which will be completed by the end of the project and is to be published on the ETIC and MEd websites. Following the training programme, by 11 June 2023, 2,401 teachers will be certified through the project. The possibility of extending the project implementation period until late 2023 is being considered.

Through the projects from the call titled *Development of ante-preschool education services* (budgetary allocation of 168 million euro), projects aimed at increasing the participation rates in pre-school education of children aged 0-2 are financed, through the establishment of nursery groups. The implementation of the 36 project applications approved started in January 2021 and will end in Q4/2023. Each project targets a minimum group of 52 pre-school beneficiaries, and 2,192 beneficiary children are to be supported through the projects. By late 2022, 27 projects were in the implementation phase, and six projects were terminated.

As of 1 September 2022, the new *Framework rules and regulations of pre-university educational establishments (ROFUIP)* entered into force, which, among other things, **regulates the use of the digital class book** initially in pilot educational establishments), the compatibility between the rules and regulations of the school boards of directors in pre-university educational establishments and the primary legislation, enhancing the relevance of the continuous training of teaching staff, by defining the *Teaching Mentoring and Training in the Teaching Career Committee* at the level of each pre-university educational establishment with legal personality, the cancellation of the provisions on the expulsion of students and of any provisions/ referrals on the possibility of collecting funds from the students' parents.

Through RP North-West, Priority 6 - *An educated region, SO 4.2 Improving access to inclusive and quality services in education, training and lifelong learning by developing accessible infrastructure, including promoting resilience for distance and online education and training*, interventions are supported for the development of the educational infrastructure in early, primary and secondary education. The launch of calls for proposals under this SO is expected to take place in Q2/2023.

Through EEP, Priority 5 - *Improving the participation of children in ante-preschool and preschool education*, measures are provided for the development and quality assurance of the system, as well as for the diversification and flexibility of socio-educational support services by improving

access to early education for children up to the age of 6 and the development of the initial and continuous teacher training system.

Strengthening vocational education and training, including dual education

The National Implementation Plan for Initial and Continuing Vocational Education and Training (PNI - VET) defines the measures to achieve the objectives set at European level, through the Council Recommendation of 24 November 2020 on vocational education and training (VET) for sustainable competitiveness, social fairness and resilience (the so-called VET Recommendation), ensuring the correlation between the objectives of EU policies in VET and the objectives of national policies provided for in the “Educated Romania” Project and in the National Employment Strategy, supported by NRRP and, complementary, by EEP. The implementation of the measures provided for in the PNI-VET is being carried out over the period 2021-2027. The general objective of PNI-VET is to improve the relevance, accessibility, flexibility, attractiveness and quality of initial and continuing VET programmes which underpin economic and social cohesion, foster competitiveness, support smart, inclusive and sustainable growth and development, and facilitate professional and personal development of individuals.

The setting-up of a complete professional route for higher technical education will facilitate the development of a dual education focused on the needs of students and tailored to labour market requirements, both by increasing the number of study fields, qualifications and graduates, and by providing a complete educational route for students enrolled in dual pre-university education, so that they can follow dual tertiary education study programmes. In order to ensure the coherence of the complete professional route for higher technical education, OMed No 5733/2022 for the approval of the Methodology on the rules and regulation of dual education which regulates the rules and regulations of dual education for professional qualifications levels 3, 4, 5, 6, 7 and 8 (according to NQF) was issued.

The ERASMUS+ project "EUROPEAN QUALITY ASSURANCE FRAMEWORK FOR VET NRP-RO 2021" (EQAVET-NRP-RO 2021) is being implemented between April 2021 and August 2023. The outputs of the project obtained between April 2022 and March 2023 consist of: five peer evaluations at school level carried out in the partnership networks developed; a feedback campaign on student satisfaction with the provision and assessment of learning outcomes; a report analysing student feedback from TVET schools within partner networks; a national online information session titled "Together for digitalisation and the green transition" included in the framework of the European Vocational Skills Week 2022; a national information session titled "Partnership, sustainability, excellence, green skills, digitalisation - key words for the future of IPT" attended by 123 participants; three European system-level peer reviews (HR, LT, BG) and the preparation of peer review of the Romanian VET system, scheduled for 25-26 April 2023 and involving reviewers from FI, LV, MT, SK and IT.

By continuing the approach of developing reviewing tools, in the timeframe 15 August 2022 - 15 February 2023, the National Centre for the Development of Professional and Technical Education (CNDIP) implemented the project *Ensuring the quality of learning at the workplace by developing standardized tools for evaluating learning results*, within the *Education, Scholarships, Apprenticeship and Youth Entrepreneurship Programme in Romania*, financed by the EEA Financial Mechanism 2014-2021. The training workshops carried out in the project and entitled *Statistical processing of data needed in education and professional training* and *Statistical analysis of tests - an introduction to the theory of response to items* aimed at developing the professional skills of CNDIPT staff and VET teaching staff in the field of learning outcomes assessment.

In the 2022-2023 school year, the *Business Plan* school competition is also held, in accordance with OMed No 3027/2023. In February 2023, the local stage of the competition took place and the competition was held involving the participation of 311 practice companies. The county stage of the competition, for which 156 practice companies qualified, took place in March 2023. The regional stage of the competition has been held in April and the national stage of the competition

is scheduled for May.

With regard to the projects financed by HCOP, under the call HCOP/90 *Traineeships for schools students and higher education students in the agri-food sector, industry and services*, benefiting from a financial earmarking of 47.9 million euro, which support workplace learning programmes for students and students from lower-secondary, high school and post-high school education, including trade schools, 85 projects have been implemented, while three others being under implementation phase on 28 February 2023. Thus, within these projects, of the 21,471 beneficiaries targeted, by 31 March 2023, 22,489 beneficiaries were supported, and from the target of 8,102 qualified learners, by 31 March 2023, 10,423 beneficiaries acquired a qualification. By 31 December 2022, of the 88 contracted projects, only one is still under implementation and is to be completed by 31 October 2023.

Within the call HCOP/711 - *Internships for students, ITI Danube Delta region*, with a financial earmarking of 5 million euro, financing agreements were signed for nine projects. The agreements concluded aim to support 980 people (students/apprentices) for participation in VET programmes.

Through the call HCOP/633 - *Internships for students for less developed regions*, with a financial earmarking of 70 million euro, financing agreements were signed for 154 projects. The agreements concluded have a target of 28,663 beneficiaries (students/apprentices) who will benefit from support for participation in VET programmes.

Both of the above-mentioned calls have the specific objectives of increasing the participation in workplace-based learning programmes for students and apprentices from non-university secondary and tertiary education, with a focus on the economic sectors with competitive potential identified according to the National Competitiveness Strategy and from the smart specialization fields according to National Strategy for Research, Innovation and Smart Specialization.

On 24 February 2023, MEd and MMAP launched [Saptamanaverde.edu.ro](https://saptamanaverde.edu.ro), an online platform through which students and teachers have access to educational resources to support the organization of activities within the "Green Week" Programme¹¹⁰. The online platform supports schools and contains a series of informative materials and ideas/suggestions of activities that can be organized at school level. Teaching staff are not obliged to observe just the proposed resources, being encouraged to find, at the local level, other types of complementary activities.

With regard to **green skills**, according to the review of demand and supply of green skills carried out by the Sectoral Committee for Professional Training in Environmental Protection, it is recommended that all occupational standards include general green skills, selected according to the requirements of trade in question. In the period 2020 - March 2023, the National Authority for Qualifications (ANC) approved 217 occupational standards, and green skills (environmental protection) were also established/developed for 104 of them.

Through the EEP, under Priority 8 - *Increasing the accessibility, attractiveness and quality of vocational and technical education (VET)*, priority will be given to measures to facilitate access to and retention in VET programmes, optimizing monitoring and evaluating public policies mechanisms on VET and anticipating skills needs, as well as ensuring the quality of workplace-based learning and certifying learning outcomes in initial VET training. At the same time, EEP will support the tailoring of educational services addressed to VET students and teaching staff, and the development of schools to support excellence in VET, with a focus on digitalisation and sustainable development. In addition, the EEP will fund Erasmus+ transnational mobility opportunities for VET, as well as support measures for disadvantaged students attend VET and to prevent early school leaving. The South-East RP provides for the financing of the educational infrastructure at the VET level, aiming at conducting interventions in the building, expansion,

¹¹⁰ In current school year, each educational establishment has at its disposal, of its choice, a week from 27 February to 16 June 2023, to run the *Green Week* Programme. The schools will carry out, for five consecutive days, educational activities that contribute to the prevention of climate change and the protection of the environment.

and modernization of VET educational infrastructure, including in the dual VET system (with the exception of high schools with an agricultural profile), the provision of practical workshops (other than those financed from the NRRP), and urban and rural sports grounds. Through North-West ROP, Priority 6 *An educated region, SO 4.2 Improving equal access to inclusive and quality services in education, training and lifelong learning through developing accessible infrastructure, including by fostering resilience for distance and online education and training*, interventions are supported for the development of the educational infrastructure in the VET field (secondary technical schools), including in the dual system.

Improving the educational infrastructure by creating "green" and modern schools

Through the Early Education Reform Project in Romania (P.R.E.T.), 347 kindergartens have been built and furnished, and 52 kindergartens are in the construction phase. In the period 2022-2023, 43 kindergartens were finalised (39 kindergartens in 2022 and 4 kindergartens in 2023). The project, with a value of 129 million euro, aims to develop the school infrastructure by building and furnishing 401 new kindergartens, for kindergartens that operate in buildings that are no longer safe to operate, in buildings that are subject to retrocession or in inadequate premises for this type of education; the project aims also at increasing the quality of preschool education through the training of teaching staff and the provisioning of teaching material.

The total number of educational infrastructure investment objectives financed through NPD I and II is 3,333, of which 2,078 were accepted upon completion¹¹¹.

Another investment project i.e. the *Integrated National Platform - Wireless Campus*, totalling 36.67 million euro, is under implementation. The initial deadline for the implementation of the project was 14 April 2023, but the beneficiary requested the extension of the implementation period until 14 August 2023. According to the progress report submitted, by 31 March 2023, the implementation stage was 79.35%, the specific IT equipment being installed in 4,351 schools.

The *Digital Platform with Open Educational Resources (EDULIB)* project (the so-called *Virtual Library*), totalling 41.71 million euro, is also under implementation. The EduLib platform has been developed and users (students and teachers) are to be registered in the system. Educational resources are being migrated (the already available ones are technologically updated) while other resources (the new ones) are being developed. The functionality-testing phase has been completed successfully. Security and availability tests were also performed. Activities are underway to develop the platform with open educational resources. In early April 2023, the estimated physical progress on the project was approximately 75%. The deadline assumed by the service supplier for the launch of the platform is Q3/2023.

The implementation of the project titled *Romania Safer, Inclusive and Sustainable Schools* continues. The project runs for a period of six years, amounts to 100 million euro, and a first batch of 23 schools at risk have been selected for financing. Procurement procedures for design services were launched for the 23 schools in the first batch: in February 2023, civil engineering design contracts were signed for eight schools, and in March 2023 the bidding procedure for design services was relaunched for the remaining 14 educational establishments.

With regard to the development of the higher education infrastructure, there are ongoing projects for the construction of 30 student dormitories, in 15 university centre cities, of which five dormitories are in the advanced construction stage, four dormitories are in the construction stage, eight dormitories are in the design phase, four dormitories are in the approval phase of technical and economic study, and nine dormitories are in the documentation approval phase.

The RP supports the development of educational infrastructure through investments under the SO 4.2 - *Improving equal access to quality and inclusive services in education, training and lifelong learning by developing accessible infrastructure, including by promoting resilience for distance and online education and training*.

¹¹¹ The total amount of the multiannual financial allocations approved for educational establishments under NPLD is 1.1 billion lei from NPLD I and 4.13 billion lei from NPLD II.

Thus, with regard to the field of education, for ROPs West, South-West Oltenia, South Muntenia and Centre regions, the applicant's guides to be launched as from the Q2-Q3/2023 were submitted to public consultation.

Through RP South-Muntenia, the development of the public educational infrastructure for the following educational levels: ante-preschool and preschool, primary, high school and post-high school level, and VET (vocational schools) education, dual public education will be supported. Actions will also be supported for the construction, rehabilitation, upgrading/ consolidation expansion and endowment of the sports and art infrastructure associated with public educational establishments, including sports training centres established in the proximity of public schools or educational institutions, as well as the purchase of school shuttles (buses/minibuses) for schools in rural areas, in remote settlements and localities facing a decline in terms of school population. At the same time, measures will be financed for the rehabilitation, modernization, endowment of the infrastructure related to the adult professional training regional centres. The ERDF allocation for these investments amounts to 36.49 million euro, and by 2029, more than 10,000 students and children will be beneficiaries of new/modernized educational infrastructure.

Through RP North-West, Priority 6 *An educated region, SO 4.2 Improving access to inclusive and quality services in education, training and lifelong learning by developing accessible infrastructure, including promoting resilience for distance and online education and training*, interventions are supported for the development of educational infrastructure in university education. In Q2/2023, the launch of calls to support the aforementioned interventions is expected, the funds earmarked amounting to approx. 19.6 million euro.

Through the RP South-East, preschool, primary and secondary educational establishments in the urban and rural environment, including in the Danube Delta ITI territory, will be financed, which will target interventions in the civil engineering, expansion, modernization and endowment of the educational infrastructure (for the preschool level), interventions in the civil engineering, expansion, modernization and endowment of educational facilities, sports grounds; and facilities for ensuring accessibility and inclusion conditions for students and children who can be integrated into mainstream education (for primary and secondary education). At the same time, interventions in the civil engineering, expansion, modernization and endowment of the public tertiary education infrastructure will be financed, especially through investments in the endowment of specialized laboratories. Investments in the tertiary education infrastructure aim to upgrade the available material base and endowments to European standards in accordance with the skills required in the local and regional market, and accordingly to the needs of smart specialization, improving access to quality inclusive education, in non-segregated facilities, learners with disabilities, including for people from vulnerable/marginalized groups.

Through the RP North-East, Priority 6, investments are financed for the development of the educational infrastructure for early (ante-preschool and preschool), primary, secondary, theoretical high school, vocational, technological, VET education, including dual education, and university education through: development, upgrading, expansion, equipping, endowing and make such infrastructure accessible, purchase of electric means of transport (equipped for the transport of students with locomotor disabilities), including electric charging stations dedicated to educational establishments, digitalisation of educational establishments (digital platforms for communication and document exchange, databases, virtual libraries, facilities with video design and mapping infrastructure, tablets, IT equipment, online education related software, etc.), educational facilities related sports infrastructure, etc.

[Updating and matching the pre-university and university curriculum to labour market needs](#)

For the 2022-2023 school year, the school subject *History of Jews. The Holocaust*¹¹² was added to the framework curriculum plans for high school education and VET. At the same time, the

¹¹² This school subject is part of the common core, for 11th grade full time education/ 12th grade - special/evening classes.

national curriculum was supplemented with 23 study programmes for compulsory subjects and 28 study programmes for optional subjects proposed in the national curricula offer, approved by OMEd. With regard to the development of support materials for teachers and students, for the 2022-2023 school year, educational resources have been developed forming the collection *Methodological milestones for the application of the curriculum to the 10th grade students in the 2022-2023 school year*.¹¹³

Through the CRED project, the 18 methodological guidelines for the application of the study programmes for primary and secondary education were reviewed, 95% of them being completed. At the same time, the online publication (with ISBN) of the guidelines is being carried out, on the CRED project website, by preparing and successively uploading the sections of the guidelines, and efforts are underway to publish them in text format. The glossary of educational concepts related to the National Curriculum was developed. Generation and validation of OERs have continued, with the provision of technical functionalities of the online educational platforms. About 8,700 OERs were developed within the project¹¹⁴. The wording of the 21 integrated optional study programmes approved by OMEd No 101/2022 have been reviewed¹¹⁵. 21 promotional materials have been developed as OERs of the integrated optional school subject.

Romania participated in the PISA 2022 study and, for the first time in our country, PISA implementation was computerized. The study was applied in 260 schools throughout the country, with the participation of 7,700 students. More than 500 assessment sessions were conducted (on average two sessions/school). A share of 69% of the selected schools are from urban areas and 31% from rural areas. At the time of the PISA assessment, most of the students were enrolled in the 9th grade, i.e. 71%. Secondary school students attended (11% of the sample), from 3-year VET (10%) and 79% of the tested students were enrolled in high school. 160 administration sessions were monitored. The coding of the open responses, the monitoring of coding reliability and the quality control of the database, which was subsequently validated by the OECD, were all carried out. The preparation of the PISA 2022 National Report has started (deadline: Q4/2023).

For PISA 2025, reviewing of the new science items, as well as of items from the innovative area *Learning in the digital world*, which will be part of the cognitive test *Science 2025*, as well as of quizzes, took place. The sampling has started for the selection of schools to be included in PISA 2025. GD No 272/2023 on Romania's participation in the *Programme for International Student Assessment - PISA 2025*, including to the international options developed by the OECD, was approved.

In the context of its accession process to OECD, Romania joins, starting in 2023, the INES programme dedicated to the indicators of education systems. Following its participation to INES, Romania will be included for the first time in the *Education at a Glance 2023* (EAG 2023) publication, alongside the OECD member states and other candidate states. Data for the EAG are collected at national level throughout the year, based on already collected administrative or survey data, this process entailing up to 20 separate questionnaires. This publication also includes data from international surveys such as PISA, PIAAC and TALIS.

Increasing the quality of higher education and its correlation with the labour market is a constantly pursued objective. In November 2022, the outcomes of the *Employability of Higher Education Graduates* study were presented and published; this study was developed following the application by the *Executive Unit for Financing Higher Education, Research, Development and Innovation* (UEFISCDI), in partnership with the MEd, of the *National Questionnaire on the*

¹¹³ The archive thus compiled contains 86 distinct materials.

¹¹⁴ There are 1,408 materials available for the primary education cycle, and 4,533 OERs are developed for the secondary education cycle.

¹¹⁵ Optional subjects structured from the perspective of the fields of knowledge, around an integrative theme for a specific curriculum area or for several curriculum areas

*Employability of Higher Education Graduates (CNAAIS)*¹¹⁶. The main goal pursued was to increase the degree of connectivity of the university system with the dynamics of the labour market, by studying the graduates' career path. Among the results of the study we mention: the very high ability of higher education graduates to integrate into the labour market, which increases over time from 81.1% (one year after graduation), to 92.4% (five years since graduation); half of employed students have a labour contract of at least 8 hours/day; female graduates, those born in rural areas and the first students in their family obtained lower incomes from the first job they had after completing their studies; for BA graduates in particular, a higher grade on the Bacalaureate exam entails significantly higher earnings.

At the same time, Romania continued to be involved in the European Graduate Tracking Initiative, confirming participation in the *Eurograduate* pilot study. The first questionnaires were sent in November 2022, and the first results will be published by late 2023.

As of December 2020, MEd¹¹⁷ implements the project *Career start through a teaching MA degree*, financed from the HCOP 2014 - 2020. The following outcomes were obtained within the project: one Teaching MA degree graduate profile (partially completed), 510 MAS students, 354 beneficiaries certified following the graduation of the Teaching MA degree, 14 educational offers completed, 80 teachers trained and certified, one impact study of the implementation of the Teaching MA programme (partially developed), one innovative virtual network developed and currently under implementation. The project will end in June 2023.

The support granted to tailoring the curriculum to the requirements of the labour market by financing specific institutional development projects from the Institutional Development Fund for State Universities (according to OMed No 5825/2021 and OMed No 6453/2021) continues. As from 2022, a distinct funding Direction -D7- Labour Market was added, aiming at ensuring the consistency between the educational offer and the demand on the labour market, counselling and career guidance. In 2023, higher education institutions are implementing 39 institutional projects aimed at correlating the educational offer with the demand on the labour market, counselling and career guidance, the total amount earmarked by the MEd for this Direction amounting to 6.153 million lei.

Within the call titled *Student Entrepreneur Scholarship*, 22 project applications were approved, of which 21 projects have been completed and one is ongoing. Through these projects, 8,850 students and 1,107 teachers were certified, 58 educational offers were validated/authorized/applied within accredited higher education institutions and 1,521 beneficiaries (teaching staff) benefited from training programmes / exchange of good practices, etc. For the *Student Entrepreneur Scholarship* call, the amount approved for reimbursement reaches 119 million lei.

As part of the call titled *Measures to streamline study offers in higher education in support of employability*, and through the 11 projects implemented by December 2022, 4,762 pupils and students, as well as 782 teaching staff, were certified, 87 educational offers were validated/authorized/applied within accredited higher education institutions and 908 beneficiaries (teaching staff) benefit from training programs/ exchange of good practices, etc.

Through the EEP, under Priority 7 dedicated to the quality of the education system, interventions are provided for the reviewing of the national curriculum for primary and lower secondary education, as well as curriculum and specific curricula development for the upper secondary cycle; development/reviewing of curricular performance standards for primary and secondary

¹¹⁶ The questionnaire was developed by UEFISCDI in partnership with MEd under the project *Quality in higher education: internationalization and databases for the development of Romanian education*, co-financed from the ESF through HCOP. A number of 7,303 respondents filled the online tool in between 17 November 2021 and 28 February 2022. For more details, see: <https://chestionar-absolventi.ro>

¹¹⁷ In partnership with eight higher education institutions: Polytechnic University of Bucharest, University of Bucharest, Academy of Economic Studies of Bucharest, Babes-Bolyai University of Cluj-Napoca, Ovidius University of Constanta, University of Craiova, "Alexandru Ioan Cuza" University of Iasi, West University of Timisoara, and UEFISCDI.

education; development/reviewing/ diversifying the school-based curriculum, with the active involvement of students/parents/legal representatives/guardians and through partnerships with relevant stakeholders. Moreover, the EEP will support the tailoring of the tertiary education offer by promoting the development of high-quality tertiary education study programs, to become flexible and consistent with the labour market requirements (study programmes for the development of entrepreneurial skills, including for the adaptation of skills and qualifications related to environment, climate, energy, circular economy and bio-economy and for acquiring the climate transition sectors related skills), as well as through the development and implementation of university study programmes, at the request of businesses and RDI organizations, for the making of a university study offer tailored to the requirements of the labour market and able to support the twin green & digital transition.

Preventing and combating early school leaving and university dropout

Ensuring equal access to education and reducing early school leaving remain on priority interventions agenda, the planning of these interventions being also provided as a measure to fulfil the enabling applicable to education and training for access to EU funds in the 2021-2027 multi-annual financial framework.

In order to support children entering a new education cycle, MEd has resumed the drafting of the ***National Strategy for Parental Education 2023-2030***. The vision on parental education in Romania, subsequent to the aims of the *Educated Romania* Project, proposes that it should contribute significantly, through specific education and parental support measures, considering the country's targets on education and training set for 2030, to the building of a modern society in which we may find fulfilled parents, happy children and united communities. The overall objective of the Strategy is to inform, prepare and empower parents to provide the best support for the care, protection, nutrition, health and education of their children. The deadline for the approval of the draft Strategy is Q3/2023.

Fostering the inclusive approach in education by supporting rural pupils and students, disadvantaged groups and non-traditional students

In order to **reduce and prevent school dropout and promote equal access to quality preschool, primary and secondary education**, the projects within the framework of two calls for competitive projects are being implemented:

(1) HCOP/74 *School for all* - which promotes integrated measures to prevent and reduce school dropout for young and adult schoolchildren, support for education personnel, including programmes such as *Second Chance* and *School after school*. 127 projects were contracted, of which 16 are under implementation and 111 projects have been completed. By 31 March 2023, 29,208 children, 147,697 students and 18,149 young people/adults benefited from support for participation in education programmes. Moreover, 7,495 children/youths/adults completed *Second Chance* programmes as a result of the support received and 540 beneficiaries acquired a qualification upon completion of these programmes;

(2) HCOP/73 *Motivated teachers in disadvantaged schools*, a call targeting schools categorised as facing the highest disadvantages, which have many children at risk of dropping out of school and fail to attract or retain qualified teachers. All 27 contracted projects have been completed. By 31 March 2023, through HCOP, 89,428 teaching staff and support teachers benefited from training programs/exchange of best practices, and 73,777 of them improved their skills level/ were certified.

With reference to the access of Roma students to high school, in the 2022-2023 school year, the admission of candidates to special vacancies for Roma in high school education and professional/dual state education was organized. The number of places allocated for Roma students was 4,912 (3,495 for high school education and 1,417 for VET, including dual education). The total number of vacancies occupied by Roma students is 2,575, of which 2,203 in high school education and 372 in VET, including dual education. For the 2022-2023 school year, the total

number of Roma students (according to their own declarations) enrolled in SIIR is 88,595¹¹⁸. Comparatively, in the 2021-2022 school year, the total number of Roma students enrolled in SIIR was only 58,385.

The project HCOP/982/6/20/152864 *Competence and efficiency in teaching Romanian to children and students belonging to national minorities in Romania*, amounting to 10 million euro, aims to prevent and reduce early school leaving for students belonging to national minorities in Romania enrolled in compulsory pre-university education, by ensuring access to quality education, training/development of communication skills in Romanian, based on modern/attractive learning resources and the provision of unitary and specific continuous training of the teaching staff. The project aims at setting up methodological guides, learning aids, accredited trainer training programmes for preschool, primary and lower secondary education on the improvement of communication skills in Romanian in groups/classes with teaching in national minority languages, training of certified national trainers, training of over 6,000 teachers who teach children/students belonging to national minorities, reports and workshops, etc. Between April 2022 and March 2023, the following activities were carried out: development of educational resources, methodological guidelines for teachers, school-based curricula resources and learning aids, accreditation of nine teacher training programmes in preschool, primary, lower secondary education, training of national trainers and teaching staff from the above-mentioned educational levels, a pilot testing of some educational resources and the development of a national study on the impact of Romanian learning related activities by children and students belonging to national minorities.

MEd is the beneficiary of the project titled *Support for strengthening the management of the Romanian education system*¹¹⁹ financed by the EU through TSI managed by DG REFORM, with the technical expertise from OECD. The project is being implemented and aims to achieve the institutional framework capable of ensuring effective educational management at the local and regional level, as well as running of an analysis of the regulatory framework on the distribution of powers among the institutions responsible for local and regional governance.

In order to continue the *Second Chance* initiatives, projects from the competitive call titled *Second Chance Measures* (measures 665 and 666) are being implemented, financing actions aimed at ensuring an adequate supply of *Second Chance* educational programmes; within the call (with a total financial earmarking of 163.45 million euro) 35 projects were contracted, with a cumulative eligible value of roughly 58 million euro, from the total 47 project applications submitted. 8,236 children/young people/adults who have completed *Second Chance* programmes as a result of the support received are targeted and a number of 9,875 teaching staff/support staff have improved their level of skills/were accredited. Project are to be completed by late Q4/2023.

Under the competitive calls for *Second Chance Education Measures for NEETs*, measures were funded to support young NEETs who have not completed their compulsory education, with a view to re-entering the education and training system. Financing agreements totalling 42.5 million euro were concluded for 44 projects. The financing agreements related to these calls aim at supporting 8,691 NEETs who have completed a second chance programme and 755 NEETs who obtain a qualification as a result of the support provided.

Within the framework of the HCOP 2014-2020, the competitive call HCOP/784 *Pilot programme for the stimulation of the participation in education of children whose parents work abroad* was launched, within which 66 projects were signed for financing with a cumulative value of 58.65 million euro, of which 65 projects being implemented. The projects aim, in particular, to provide

¹¹⁸ Of whom: 22 in ante-preschool education, 12,415 in preschool education, 39,049 in primary education, 28,070 in lower secondary education, 4,796 in high school education, 4,073 in vocational education, and 170 in post-secondary education.

¹¹⁹ For further details see: https://reform-support.ec.europa.eu/what-we-do/skills-education-and-training/strengthening-management-romanian-education-system_en and for an index of TSI projects see: https://reform-support.ec.europa.eu/our-projects/country-factsheets/romania_en

an integrated package of services for pre-schoolers and students in primary (6-10 years), secondary (11-14 years) and upper secondary (14-16 years) education in order to stimulate participation in education and prevent early school leaving (e.g. educational support, psychosocial support, and parental education and social counselling services). 2,223 children who benefit from support for participation in early childhood education and care programmes (ECECP), and 13,969 students who benefit from support for participation in programmes in primary and secondary education are targeted.

To ensure equal access and participation opportunities to inclusive and quality education for children/students belonging to groups facing high-risks (e.g. socio-economically disadvantaged groups, children/students from rural areas, Roma population, young disabled) and to stimulate participation at different levels in higher education, MEd implements a wide range of measures, social programmes and programmes for disadvantaged groups, as described in detail in Annexes I and III hereto.

In order to **stimulate graduates of upper secondary education to continue their studies in tertiary education** (higher education or other forms of post-secondary education), the implementation of the grant scheme for high schools under the Secondary Education Project - ROSE continues. In the context of the pandemic, within the ROSE project, electronic equipment was purchased (59,072 laptops, 4,346 interactive whiteboards, 5,746 videoconference cameras), for a number of 1,093 high schools, to help combat the effects of the pandemic, allowing learning through technology and the internet. The purchased laptops supported disadvantaged students, thus avoiding the deepening of inequities caused by unequal access to resources, as well as possible dropout. At the same time within the ROSE project, 105 grants were implemented within the Grant Scheme for Universities Summer Programs, with the aim of supporting the participation of at-risk high school students in the summer programmes organized by universities, who can thus familiarize themselves with the academic context and initiate the development of relevant skills for successful completion of tertiary education. In the academic year 2021-2022, 4,455 students benefited from the summer programmes.

In order to **support students from rural areas, disadvantaged groups and non-traditional students for participation in tertiary education**, the MEd continues to implement social programmes: special places for graduates from rural areas, scholarships, subsidies for board and lodging, partial reimbursement of transport costs.

For the 2022-2023 academic year, separate dedicated tuition vacancies were allocated for graduates of high schools placed in rural areas (2,000 vacancies, of which 1,207 places were filled), for Romania's priority development fields (5,000 vacancies for BA, 4,500 for MA, 300 for PhD), as well as for 400 places for the initial training of future teaching staff (MA degree). For Romanian citizens belonging to the Roma minority, special vacancies were allocated for BA (312 places), MA (64 places) and PhD (6 places) university studies. According to data from October 2022, in public higher education institutions, 4,922 students are enrolled on special places (all years of study) for BA studies, of which 4,130 students graduated from rural high schools and 792 students are Roma. In university MA studies, 127 Roma students are enrolled in special places (all years of study), while in doctoral studies, 23 Roma students are enrolled in special places (all years of study).

By GD No 632/2022 on the approval of tuition figures for public pre-university education and for public higher education in the school/academic year 2022-2023, 2,000 distinct vacancies have been allocated for the teaching career in pre-university education from the total figure for BA university studies, as well as 400 places for the Teaching Master, out of the total figure allocated for university MA studies.

Regarding the mechanisms for promoting Romanian higher education, the *StudyinRomania* mobile application was launched in June 2022. It is addressed both to young people from outside the country and to young people in Romania aged between 18 and 30, who are interested in following a study programme in Romanian universities, for the duration of an entire study cycle

or for one semester. The application is available for download in online stores, for Android and iOS users, being interconnected with the *StudyinRomania* platform. At the same time, in late 2022, the *StudyinRomania* Journey VR application was launched, and it contains 46 videos related to public universities, a Trivia game about Romania, the exploration of Romanian cities on the "Google street view" model, and a VR clip promoting the App¹²⁰.

EEP will fund **integrated interventions for schools at high risk of early school leaving and school dropout** among disadvantaged and highly marginalized groups and will support access and participation in education, as well as sports and cultural activities for all children. At the same time, EEP will finance the *Second Chance* programme to facilitate the completion of compulsory education by people who left school early and professional development for teaching staff to ensure an inclusive education system. A greater attention will also be paid to participation in tertiary education and the prevention of university dropouts. Moreover, a series of measures aimed at increasing access and participation in education of Roma children and considering the specific needs of marginalized communities are also targeted.

Creating and developing an open and accessible lifelong learning framework and developing qualifications system

The participation of adults (25-64 years) in lifelong learning has increased substantially to 4.9% in 2021, even if a gap remains with regard to the target 17.4% set by Romania for 2030.

In its capacity of National Coordinator for the implementation of the European Agenda for Adult Education, MMSS established a National Coordinating Group on adult learning, which started the development of the National Strategy for Adult Learning 2023-2027 having as general objective to increase the participation rate of adults in learning to 12% by strengthening and improving the provision of formal, non-formal and informal learning opportunities.

MEd also continues, within the scope of its powers, efforts to increase participation in lifelong learning. Thus, in the 2020-2023 timeframe, MEd implements, as a beneficiary, in partnership with the National School of Political and Administrative Studies (SNPSA), the project titled *New tools for the national strategy on lifelong learning adult education in Romania - Edu-C-Ad*, co-financed from the ESF through ACOP. The purchase of social research services (data collection) on the continuing education of adults in Romania was completed. At the same time, the development activity of the above-mentioned National Strategy for Adult Learning 2023-2027 was initiated by MEd together with MMSS. As part of this activity, consultation activities were carried out with the relevant persons/institutions (suppliers, beneficiaries and other stakeholders), in order to substantiate and elaborate the Strategy.

Within the framework of the ACOP project titled *Strengthening the administrative capacity of the ANC and MMSS through streamlining and legislative simplification in the field of qualifications*, with a two-year implementation period, two important activities on the continuation of the implementation of the recognition, validation and certification mechanism of previous learning have started, respectively: (1) the development of single assessment tools 30 occupations, and (2) the development of an IT application, which includes, on the one hand, the national base of assessment tools and, on the other hand, allows the online theoretical assessment of candidates. Assessment tools have been developed, based on learning outcomes, for 18 occupations, and for another 12 occupations, the procurement of services for the development and validation of assessment tools, based on learning outcomes, is underway. The IT platform is developed and is being fed with theoretical and practical evaluation items, developed for the 18 occupations mentioned above but it is not yet accessible to the public. The project deadline is Q3/2023.

ANC continues its efforts to meet European practices in the field. OMed No 6374/2022 on the approval of the Methodology for the certification of professional training acquired at

¹²⁰ The App can be accessed both by downloading from online stores (Google Play, Sidequest) and by accessing the address: <https://vr.studyinromania.gov.ro/> directly through VR glasses

authorized/accredited professional training providers from the EU Members States, the EEA and the Swiss Confederation is in force as of 1 January 2023.

At the national level, the standardization of the evaluation and certification of professional skills obtained by means other than formal education (non-formal and informal learning contexts), as well as the operationalization of other results from the ACOP project *Strengthening the administrative capacity of ANC and MMSS through streamlining and simplification legislation in the field of qualifications*, impose specific legislative regulations. Thus, on 31 March 2023, ANC put forward the following normative acts for approval:

- The ministerial order on the approval of the *Methodology for authorisation, respectively accreditation of centres for the evaluation and certification of professional skills obtained by means other than formal education* - it is currently on the ministerial approval and endorsement circuit;
- Joint order of the Minister of Education and the Minister of Labour and Social Solidarity on the approval of the *Methodology of the evaluation and certification of professional skills obtained by means other than formal education* - it is currently on the ministerial approval and endorsement circuit.

After the entry into force of the two normative acts mentioned above, compliance with the *Methodological Guidelines for the development of evaluation tools of professional skills based on learning outcomes*, already developed and in the process of approval, becomes mandatory in the system of validation of professional skills obtained in non-formal and/or informal learning contexts (expected deadline: Q3/2023).

Moreover, through the above-mentioned project, occupational standards (OSs) are developed and/or updated for a number of 250 single occupations. In the timeframe 2022 - March 2023, ANC approved 114 occupational standards (105 OSs in 2022; 9 OSs in 2023) which were elaborated/reviewed. At the initiative of labour market specialists, outside the project, nine other occupational standards were developed and approved according to law (7 OSs in 2022 and 2 OSs in 2023).

In the timeframe 2020 - March 2023, according to the regulations in force, based on the OSs approved and published on the official website of the ANC, National Qualifications Agency approved 126 level 1-4 professional qualifications, according to NQF, for them to be registered with the National Register of Professional Qualifications.

On 16 June 2022, GD No 772/2022 on the approval of the Methodology for granting transferable credits for professional training of adults, and for repealing GD No 844/2002 on the approval of the nomenclature of professional qualifications for which preparation is ensured through pre-university education, as well as the duration of schooling was published in the OJ of Romania.

Romania joins the first European countries to launch discussions on the rationale, definition and use of micro-certifications. In that regard, between May 2022 and June 2024, UEFISCDI in cooperation with the Norwegian Ministry of Education and Research implements the project titled *New building blocks of the Bologna Process: fundamental values (NewFAV)*, financed through Erasmus+. The project aims to support the implementation of the commitments of the Bologna Process, in accordance with the Roma Communiqué, and aims to support the work of the Bologna Monitoring Working Group on Fundamental Values, by putting forward a set of indicators on the monitoring and evaluation of these values, as well as a monitoring mechanism thereof. The project activities encompass: running an analysis of available options that can help build open and flexible learning paths, organizing mutual learning workshops, as well as developing a grid for the design of the micro-certification-based program. At the same time, the project aims at conducting an analysis on how micro-certificates can be used in the design of study programmes to go in depth with the principle of social inclusion¹²¹.

¹²¹ For further details see: <https://uefiscdi.gov.ro/new-building-blocks-of-the-bologna-process-fundamental-values>

The EEP will support the strengthening of the participation of the population in the lifelong learning, as well as the facilitation of transitions and mobility, through strategic interventions aimed at ensuring quality in professional training for adults, developing the capacity of the County Committees for authorizing professional training providers and developing the national system of career management in the context of diversifying training opportunities. Moreover, within the EEP the continuous training of trainers/instructors and partnerships between training providers from secondary and tertiary education and representatives of the business environment for continuous training programmes will be supported in close connection with the updating/development of new occupational standards according to labour market developments, as well as adult mobility. The EEP will provide the opportunity to implement training programmes tailored to workers and employers' needs, which will promote participation in lifelong learning. Thus, various training programmes and the programmes titled *Basic package for people with no/low level of training*, *Keep up the pace* and *Digital skills for the labour market* are financed. EEP will also support training programmes provided by employers for the career advancement of disadvantaged employees and the reinsertion into the labour market of athletes at the end of their careers.

Development of school camps / leisure centres for children and youth

Through the South-East RP, interventions for the **modernization, rehabilitation and equipment of school camps/recreation centres** will be financed. The aim of the interventions is to contribute to increasing the socio-professional inclusion of children and young people at risk of poverty and social exclusion, and of all children and young people, by increasing access to quality services and non-formal education programmes provided in leisure centres/ school camps. An important part of learning, including the acquisition of social skills, takes place through leisure, sports and educational activities such as in school camps. Interventions on accommodation, dining, and non-formal educational activities premises are foreseen, and fittings/equipment for leisure/recreation facilities (sports fields, other areas for sports activities, conference/event rooms, etc.) are considered both indoor and outdoor, and also access facilities for people with disabilities, and for people with visual and hearing impairments (directional signs and posts with Braille writing, speaker and display systems), as well as measures to foster the access of students belonging to vulnerable/marginalized groups.

The measures presented in this chapter can contribute to the fulfilment of SDG 4 and SDG 8.

3.8. Strengthening administrative capacity and other governmental measures

REFORMS AND INVESTMENTS IN THE NRRP

Strengthening administrative capacity is being addressed by the Components 5, 7, 10 and 14 of the NRRP.

In the timeframe **Q2/2022 - Q1/2023**, measures aimed at strengthening the legislative framework on the transparency and the efficiency of the public administration authorities' action were implemented, as follows:

- Entry into force of the tailored methodological norms on the free access to information of public interest, and on the transparency rules (GD No 830/2022 amending and supplementing the methodological norms for the enforcement of Law No 544/2001 on the free access to information of public interest, approved by GD No 123/2002 and by OSGG No 1056/2022 on the minimum transparency rules on the recommended collaboration framework between the decision-makers from the central and local public administration authorities and the interested parties from the civil society to promote the public policy initiatives);
- Entry into force of the guidelines on the use and ensuring proper compliance with the Transparency of Interests Single Register (RUTI) - the aforementioned OSGG No 1056/2022;
- Entry into force of the legislative amendments for the establishment of standard procedures, at government level, on the elaboration, approval and presentation of draft public policy documents and normative acts (GD No 1173/2022 for the completion of the Regulation on the procedures, at government level, for drafting, approval and presentation of draft public policy documents, draft normative acts, as well as other documents, with a view to adoption/approval, approved by GD No 561/2009 and Law No 343/2022 for the completion of Article 2 para. (1) of Law No 73/1993 on the establishment, organization and functioning of the Legislative Council, as well as of Law No 24/2000 on legislative technical rules for the elaboration of normative acts);
- Entry into force of the Law amending the tasks of the National Agency for the Management of Seized Assets by: Law No 169/2022 for the approval of the GO No 9/2021 on establishing measures to facilitate the use of the financial information and the financial reviews to prevent, detect, investigate or prosecute certain crimes and Law No 230/2022 amending and supplementing the Law No 318/2015 on setting up, organizing and functioning the National Agency for the Management of Seized Assets and amending and supplementing some normative acts, as well as amending and supplementing the Law No 135/2010 on the Criminal Procedure Code.

Information also available in Annex II regarding the FENIX database.

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OTHER MEASURES (in addition to NRRP)

Key directions:

- ✓ Increasing the absorption capacity of European funds
- ✓ Establishing a unitary legal framework for the central and local public administration
- ✓ Resuming and strengthening the decentralization process

- ✓ Strengthening the culture of transparency and participatory governance
- ✓ Improving human resources management in the public administration
- ✓ Professionalizing the public administration personnel
- ✓ Better regulation
- ✓ Territorial development
- ✓ Continuing the reform of the public procurement system
- ✓ Other actions to support the functioning of the administration

Additional information available in Annex I regarding the CeSaR database.

Increasing the absorption capacity of European funds

Romania has a total allocation of approx. 31 billion euro (European allocation) from the Cohesion policy, to which is an amount of 15.5 billion euro (national allocation) that can be invested in the 2021-2027 period is added, complementary to the funds provided by the EU through NextGenerationEU. The **2021-2027 Partnership Agreement** and the **16 programmes (8 national/sectoral programmes and 8 regional programmes)** approved by the EC in 2022 were developed in accordance not only with the European Semester, relevant CSRs, European directives and national development needs, but with the aim of creating synergies and ensuring complementarity with the priorities included in the National Recovery and Resilience Plan (NRRP)¹²², and in accordance with the provisions of the Regulation (EU) No 2021/1060 (as shown in *Annex I*).

At the national level, the **2021-2027 programming period is characterized by some new elements** such as the decentralization of regional development expected by the local and county authorities, which opens the perspective for a better administration of the funds allocated to regions. Another new aspect is the achievement of the financial autonomy of large public services, as in the case of the health programme, which is conceived as a multifund programme.

In order to provide the possibility of early preparation of projects and reaching the targets for the absorption of non-reimbursable European funds, but also to ensure the predictability to the beneficiaries of European funds, the **Ministry of Investments and European Projects (MIPE), together with the management authorities, have established the calls for projects launching schedule**. As a result, most applicant guides for the 2021-2027 cohesion policy programmes will be submitted to public debate while the related calls for projects will be launched by late 2023.

Therefore, in 2023 it is estimated that 534 calls for projects will be launched, totalling approx. 40 billion euro, through the cohesion policy and the NRRP. Among the objectives pursued at national level following the launch of the **490 calls for projects (totalling 36.4 billion euro) from the 2021-2027 cohesion policy** one mentions: 632 km of new or rehabilitated roads, 6,977 km of new or optimized pipelines for water and sewage networks, 7 new or rehabilitated county hospitals, and new classrooms for 128,000 pupils and students. The NRRP puts forward investments in the infrastructure, for the digitalisation of hospitals and the energy efficiency of buildings, but also investments in the social field (support for people with disabilities, integration into the labour market of people from disadvantaged backgrounds, and the establishment of centres for the elderly). 246 calls for projects (out of the 490 mentioned), totalling 16.4 billion euro, are addressed to the local public authorities, for transport infrastructure, education and health, while 139 calls for projects, amounting to 6.1 billion euro are prepared for the business environment.

With regard to the implementation of the 2021-2027 Multiannual Financial Framework, by late March 2023, the total amounts received from the EC, representing pre-financing, related to the programmes financed from the Cohesion policy stand at approx. 454 million euro, i.e. approx.

¹²² Links with other financial instruments are also addressed in the 2021-2027 PA.

1.5% of the EU allocation for these programmes.

The normative and procedural framework for the 2021-2027 programming period was prepared as from 2020¹²³, the normative acts approved recently being the following:

- *GEO No 88/2022 amending and supplementing certain normative acts on the management of non-reimbursable European funds intended for the regional development;*
- *GD No 829/2022 on the approval of the Methodological Norms for the application of the GEO No 133/2021 on the financial management of the European funds allocated to Romania for the 2021-2027 programming period from the European Regional Development Fund, the Cohesion Fund, the European Social Fund Plus, the Just Transition Fund;*
- *GD No 873/2022 on the establishment of the legal framework on the eligibility of expenses incurred by beneficiaries within the operations financed in the 2021-2027 programming period through the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund and the Just Transition Fund;*
- *GEO No 97/2022 amending and supplementing GEO No 66/2011 on the prevention, detection and sanctioning of the irregularities related to the acquisition and use of the European funds and/or related national public funds;*
- *Law No 256/2022 for amending and supplementing the Law No 98/2016 on public procurement, amending the Law No 99/2016 on sectoral procurement, amending the Law No 100/2016 on works concessions and service concessions, as well as amending art. 25 para. (1) of the GEO No 66/2011 on the prevention, detection and sanctioning of irregularities related to the acquisition and use of the European funds and/or related national public funds.*
- *GEO No 23/2023 on the establishment of simplification and digitalisation measures for the management of the 2021-2027 Cohesion Policy related European funds*

In addition, the following normative acts are in the draft stage:

- *Law on ensuring the national contribution related to the Programmes financed by the 2021-2027 Cohesion Policy;*
- *GEO on the establishment of the general framework for the closure of operational programmes financed in the 2014-2020 programming period.*

In accordance with the provisions of the Regulation (EU) 1060/2021 laying down the common provisions for the 2021-2027 programming period, with regard to the establishment of management and control systems, activities have started and are to be completed by management authorities involved in this process.

In the context of **monitoring the implementation of the 2014-2020 ESIF programmes**, by late March 2023, 439 calls for projects were launched, the total budget allotted amounting to approx. 29 billion euro.

Regarding the execution of the 2014-2020 Multiannual Financial Framework (MFF), the total amounts received from the EC, representing pre-financing and reimbursements, related to the programmes financed from the ESIF (LIOP, COP, ROP, ACOP, TAOP, HCOP, NRDP, FMAOP) and from the FEAD (ADOP) has reached 26.7 billion euro (0.8 billion euro in 2023), that is approx. 75% of the EU allocation related to these programmes. Thus, Romania ranks 5th among the other EU Member States, according to the EC statistics, in terms of absolute values of the ESIF received (pre-financing and repayments).

In order to **ensure full transparency in the implementation of European programmes and projects**, relevant information on the approved applicant guides and the guides under public

¹²³ GD No 936/2020; GEO No 122/2020; GEO No 133/2021

consultation is available on the websites of the institutions that manage European funds.

Furthermore, for the real-time information of the public, within the project *Support for development/optimising of some specific modules of the integrated electronic system (SMIS2014+/MySMIS2014 - SMIS code 126444)* funded by TAOP, an application integrated in the web page <https://www.fonduri-ue.ro/statistici> was developed; the app displays data and information both from the EC website and from the database of the national IT system SMIS2014+/MySMIS2014. The public can access data on the absorption status, the launched calls status, funding and statistical data of the EC. At the same time, MIPE aims to implement interoperability between the SMIS/MySMIS information system and the databases of other public institutions (ONRC, SICAP, ANAF, MAI, MF, DGEP, INS, ISC, etc.).

The simplification process continued in 2022 by identifying/implementing measures to simplify the public procurement process, so as to optimize the Electronic System for Public Procurement (SEAP) platform, the evaluation process, and to establish the appropriate legal framework on the legal security of public procurement contracts:

- Collaboration Protocol No 358/2021 concluded between MF, MIPE, MDLPA, MADR, MJ, ANAP, CNSC, ONAC - monitoring the fulfilment of the measures meant to simplify/make the public procurement process more flexible, agreed in the inter-ministerial meetings at SEAP and legislative levels;
- Proposals and measures to improve the technical facilities of SEAP;
- Preparation and publication of the GEO No 19/2022 on certain measures related to the guarantees of compliance or execution made within public procurement contracts and sectoral contracts;
- Collaboration Protocol within the inter-institutional cooperation mechanism aimed at ensuring the coherence and consistency of interpretations between the institutions with specific responsibilities in public procurement - working meetings to discuss cases at the level of operational programmes and finding response measures (legal, procedural);
- Preparation of the self-assessment list of beneficiaries to verify irregularities in the public procurement field.

Measures to simplify the cohesion policy related process of accessing and implementing funds will continue and aim at securing a better discipline in the preparation of the calls for projects launch, increasing the standardization of requirements in the process of submitting funding applications, streamlining the evaluation and selection process, and use of risk-based checks. Moreover, an important matter is the expansion of the use of simplified cost options, for which progress has been made - OPs for which simplified cost options can be applied have been analysed, and the related documents are being prepared or in the ex-ante analysis stage by the Audit Authority.

Starting from the experience gained from implementing the provisions of the 2014-2020 Partnership Agreement and the 2014-2020 TAOP, in order to **ensure access to consistent information and for the real support of beneficiaries through a national information network**, the *Information Centre for European Investments* project has been optimized to achieve the target indicators and attain the assumed objectives related to information and communication. Thus, the centre is operational with MIPE, by internalizing communication and conducting communication actions using its own resources through the communication tools provided in the project (the web portal fonduri-ue.ro, the Helpdesk application, a call centre, etc.).

Additionally, and being acknowledged by both the general and the specific public, the single web portal www.fonduri-ue.ro is in undergoing restructuring/ development to align it with the provisions of the Regulation (EU) 1060/2021 that includes provisions regarding information, communication and visibility of the information on the European funds from the 2021-2027 MFF intended for the cohesion policy. Furthermore, the open data from the section

<https://www.fonduri-ue.ro/statistici>, integrated and reused by the EC within the project - www.kohesio.eu, contributes to promoting the results of the funding programmes managed by the Romanian national and regional authorities in collaboration with the EC under the EU cohesion policy.

Development of a portal (<https://oportunitati-ue.gov.ro/>) is considered to ensure the communication to the beneficiaries (with the support of the Management Authorities) of information on the management of programmes with European, national and cross-border funding, but also for searching for finding partners, using the *Funding and Tender* model, made available by the EC, through the project *Development of the institutional capacity of the Ministry of European Funds through an integrated quality management system* (SMIS code 129934).

Establishing a unitary legal framework for the central and local public administration

The objective of establishing a unitary, coherent legal framework for the central and local public administration is approached in close correlation with the codification activity, and the approval of stable codes is likely to ensure the continuity and sustainability of the legal regulations.

The process of developing the draft *Code of Administrative Procedure* has made progress, the technical version of this legal instrument being completed¹²⁴. Furthermore, the decisional transparency procedure on the elaboration of the *draft GD on the Approval of the Preliminary Theses of the draft Code* was launched on 16 February 2023. Once the text was improved, the inter-ministerial endorsement procedure was initiated. The final version of the new tool is expected in Q4/2023 and it will merge the general regulations on the procedural matters in the public administration sector and will establish common principles, based on a unitary structure (details in the [Annex I](#)).

In view of updating it, the draft *Local Public Finances Code* is going to be submitted to a new consultation process to the associative structures of the local public administration and the estimated term for its adoption is the end of 2025.

As for the *Administrative Code*, the annual monitoring of its implementation continues, so as to find the shortcomings of the legal framework, as well as the difficulties that the authorities and the public institutions have faced in practice. The measure will evolve into a range of reports, including on the topic of the *beneficiaries' satisfaction* guided to properly and uniformly apply the Code. Based on these reports, proposals to amend and supplement the *Administrative Code* will be made.

Resuming and strengthening the decentralization process

In 2022, the steps towards the decentralization of powers to the local administration continued, by implementing the measures targeting the objectives set in the general strategy in this field¹²⁵. The developments are highlighted in the related *Semestrial monitoring report*, prepared in late Q4/2022. *GD No 800/2022 on the organization, operation and tasks of the Inter-ministerial Technical Committee for Decentralization*, the *OMDLPA/OMF No 2345/4006/2022 for the approval of the Methodology for the development of proposals of cost and quality standards for the decentralized public services and those to be decentralized*, as well as the *OMDLPA No 1648/2022 on the appointment of representatives of MDLPA in the Secretariat of the Inter-ministerial Technical Committee for Decentralization*, and in the *working parties for the devolution of powers* were approved.

The implementation of the *General Strategy for Decentralization* and its monitoring will continue in 2023 as well. At the same time, MDLPA will provide specialized assistance to the central and local public administration authorities involved in decentralization, in the

¹²⁴ Within the SIPOCA 59 project *Systematizing legislation, monitoring and assessing tools in public administration*, completed in 2022

¹²⁵ Approved by GD No 229/2017

elaboration of draft sectoral decentralization laws in correlation with the political decisions assumed by their leaderships, and it will continue to coordinate the elaboration of the quality standards and cost standards, as the case may be, for the decentralized public services. Moreover, the role of MDLPA is going to be strengthened from the perspective of regulating the opportunity of a methodology-based evaluation of TADs administrative capacity

Strengthening the culture of transparency and participative governance

To meet the goal of **transparency in public administration**, the Government will focus on making the *administrative processes and procedures more transparent, promoting open data and information, ensuring citizens' access to information, increasing the innovation capacity in the public sector and strengthening the framework to involve the civil society in the decision-making*. In this context, focus remains on the actions aimed especially at **standardizing the implementation of policy in the field of the decisional transparency and of the access to information of public interest, putting the open government commitments into practice**, but also the **projects meant to enhance the public sector capacity to provide quality and transparent services**.

Thus, the **annual monitoring and periodic evaluation of the application of the Law No 52/2003 (on decisional transparency) and compliance with the standards of the Law No 544/2001 (on access to information of public interest)** are pursued along with the methodological guidance for the administration representatives to implement the two normative acts aforementioned, and the elaboration of the reports gathering data from the central and local level.

Furthermore, the approval by the Government of a new **National Action Plan (PNA) of the Open Government Partnership (OGP) proves the interest** to promote, support and develop the policies specific to this domain. The **2022-2024 PNA** maintains its focus on the **commitments regarding the civic space, integrity, public participation, open data, participative budgeting, debureaucratisation, etc.** while its **monitoring** is ensured by the *OGP Technical Secretariat* and the *National Coordinating Committee of the OGP Romania*.¹²⁶

Aligning with the international standards in the open governance area is also a priority, with activities being scheduled to be consistent with the OECD legal tools and standards. Another component aims to **promote good governance at the local administration level**, by awarding the *European Label of Governance Excellence*.

At the same time, the **dialogue framework with the civil society remains a core concern**: the initiatives supporting **citizens' participation in governance, establishing partnerships between the Public Administration and Volunteers**¹²⁷, as well as the steps to manage the online platforms fostering the **collaboration between the Public administration and Non-Governmental Sector** will continue. Updating the **single register of the non-profit legal entities of public utility** will also continue, and for 2023, measures to standardize practices in this field are planned with priority¹²⁸.

Implementation of the **externally funded projects** remains an important factor to meet the objective of improving the transparency culture. The *Report on the civic space in Romania* is to be published under the project aimed at *enhancing policy coherence, transparency and coordination at the Centre of the Government* (through TSI); its recommendations will serve to develop a strategic document on the civil society' involvement in the decision-making process and a roadmap, as an integral part of the Open Governance Strategy. The project will end in October 2023.

¹²⁶ For the 2022-2024 mandate, a new structure of the Committee was established, comprising representatives of the ministries, agencies and the civil society.

¹²⁷ E.g. *Open Governance Week*, May 2023; the fourth edition of the *Volunteering Promoters Programme*

¹²⁸ A commitment in that regard was undertaken through the 2022-2024 PNA (*Standardization of the administrative procedures for the recognition of the public utility status*)

The Norwegian grants support a project in *the public governance* sector that made progress in 2022 on all its five components¹²⁹. To ensure the consistency of the practices in this field, a *roadmap* for a better coordination and implementation of the open governance initiatives in Romania is being developed in 2023 and *monitoring and data-based assessment indicators* to evaluate the impact of these initiatives will be established. In addition, the *Innovation Lab*, launched in 2023, will continue to seek and test innovative solutions in various sectors, including the transparency and the participative governance. The project will end in Q4/2023.

Improving human resources management in the public administration

Human resources in the public sector is one of the specific objectives of the Government's Programme, articulated around several key elements, such as: *results-oriented administration and in the citizen's interest, stable, consistent and effective institutional and legal system, unitary management, professional and impartial model of recruitment in civil service*, etc.

In this context, a range of measures will aim at **strengthening the administrative capacity of ANFP** (a project financed by the *Structural Reform Support Programme*), continuing the **legislative proceeding** as a key factor of the reform in this area, as well as the **programmatic activity**. The **monitoring** component will remain also in focus.

In addition to the *2023-2027 Institutional Development Strategy of ANFP* (initiated within the above-mentioned project), **five tailored training programmes** were held mainly on the *human resources management in public administration* topic; the personnel from the human resources departments, management staff/line manager, and selection committees were the target groups of these programmes. The project, with its three main components¹³⁰, was completed in April 2023.

Development and implementation of **unitary and modern human resources management policies and tools** are also considered. For this purpose, the ESF co-financed project **Transparency and competence in the public sector** is ongoing until November 2023. To improve the knowledge and skills of the personnel working in this area (from the central and local level), the training module on the human resources management continues online.

The efforts to **amend and supplement the specific regulatory framework** will focus on completing several drafts GD with impact on the various components in this field, such as: *developing, updating and managing the National Electronic System for Registering Employment in Public Administration, as well as the specification of the necessary operations for the database* (deadline: June, 2023), *the content and the management of the professional file* (deadline: June, 2023); the methodological rules on *training and professional development of the civil servants, including the training related rights and obligations*, as well as the rules on the *credit system necessary to promote the civil servants to a professional degree, respectively in a vacant management civil service position* (Deadline: 2nd semester, 2023), methodological rules on *organizing and developing the civil servants career*, as well as the *organizational procedure of the selection and passing competitions to fill civil service positions corresponding to the category of high-ranking civil servants* (deadline: September, 2023), etc.

Regulating the rules on the general and specific competency frameworks, organizing and implementing the pilot-project of the competition for filling the vacant civil service positions and forecasting the need for the civil service positions to conduct the pilot-project were accomplished by ANFP through its own resources, but also capitalizing on the outcomes of the deliverables of the externally funded projects i.e. *Development of a Unitary Human Resources Management System within Public Administration* (SIPOCA 136) and *Transparency and competence in the public sector* (SIPOCA 870).

These projects represent prerequisites to render competency frameworks operational at the

¹²⁹ Centre of the Government, Open Governance, Digital Governance, Integrity and Innovation in the Public Sector

¹³⁰ In particular, they aim at creating a strategic and operational framework that allows the fulfilment of the ANFP mandate, developing the strategic tasks, providing specialized assistance to the human resources departments, etc.

central public administration level, which will refer both to the preparation and adoption of the legislative act, and its effective implementation (by 31 December 2025) and the ex-post analysis of the national pilot competition to select two categories of civil service positions within the central administration (by 30 June 2023).

The **draft 2023-2027 Strategy on civil service** was subjected to public consultation and it is to be submitted to the Government for approval in the 1st semester of 2023. The strategy aims to develop a fair, transparent, strategic, and unitary management system of the civil service positions, focused on performance and competence, and likely to generate quality public services.

The **monitoring** activity will consist of **reports** conceived to highlight the implementation of the principles, standards of conduct and the disciplinary procedures in public authorities and institutions.

Professionalizing the public administration personnel

Training civil servants to make them to embrace a pro-taxpayer-oriented vision is part of the general objectives of the *Programme for Government 2021-2024* on the *public administration* sector.

The **2023 training programmes portfolio (continuing training and upskilling, and specialized training)** is conceived to meet the administration personnel needs, **to be in line with the priority training areas** for the public administration and **to address all types of personnel in this sector**, as well as other interested individuals. In order to **assembly the teams of trainers**, which is a key element in this process, recruitment and selection of the specialized personnel involved in conducting the programmes continue, along with attracting know how from the similar institutes in the European countries. The **Network of Training Providers (ReForm)** will continue its mission to standardize the quality of the programmes in order for them to meet the direct and indirect beneficiaries' expectations¹³¹.

The specialized training programmes to **filling in the public dignity positions (prefect, sub-prefect)** and of the **civil service positions corresponding to the high-ranking civil servants category**, as well as the **leadership** training programmes for the decision-makers and the executive management of the public authorities, institutions and services are also considered.

Other strands of action will focus on the *regional cooperation and the exchange of best practices* in the context of the rapid developments in the field, the *development of mentoring, specialized training pilot-programme for the new entrants in the system*, but also on the concept of *innovation in administration*.

Furthermore, **activities within the projects** aimed at developing **studies/analyses with an impact on the training system** (SIPOCA 617), **specialized training of the persons with responsibilities in the public procurement field** (SIPOCA 625), as well as of the **staff/decision-makers from the local and central administration** involved in carrying out public procurement procedures (SIPOCA 1100) will be further promoted¹³². At the same time, the support provided by DG REFORM, through TAIEX, will be used to start an exchange of best practices between the high-ranking civil servants, as well as other officials, on topics such as professional training, digital transformation, project management, etc.

Better regulation

Efforts to **increase the quality of regulations** continue, including through the implementation of the project *Impact Studies for a better regulation*¹³³ (carried out with WB assistance), the *Annual Report on the impact assessment corresponding to the draft normative acts adopted in*

¹³¹ The *Training Forum* (the second edition), focused on the digitalisation in the training process, will be organized in 2023.

¹³² The main progress made in 2022 in carrying out these projects are presented in *Annex I*.

¹³³ Code SIPOCA 603

2021 (the third annual report on this subject) being drafted. Likewise, in 2023, the activities for consolidating and expanding the *Community of Experts in the Regulatory Impact Assessment* go on. In addition, in this project, training sessions on preliminary impact assessment are taking place and impact studies for MADR, MEd and SGG are being developed. In order to establish *mechanisms for simplifying certain horizontal, trans-sectoral procedures for the business environment*, the *Zero Bureaucracy*¹³⁴ project is under implementation.

The monitoring of the *Integrated Plan to streamline the administrative procedures applicable to citizens* continues, and periodical monitoring reports will be prepared¹³⁵. The *Final report on the impact assessment of measures to simplify administrative procedures applicable to citizens* will be developed¹³⁶, after completing the measures of the Plan.

Territorial development

The *Strategy of Territorial Development of Romania (SDTR)*, through which development objectives, measures, actions and concrete projects are established at territorial level, will be updated in relation to the current challenges and guidelines, and the approval steps in the Parliament will be resumed. The starting of the approval process of the drafts *GDs*¹³⁷ needed for the implementation of SDTR will be possible only after promoting the draft *Law for the approval of SDTR*.

In order to *render the activity of administrative consortia more efficient, strengthening of their organizational and operational framework*, as well as of other forms of partnership between TADs is considered. In this regard, the way in which the newly approved regulations¹³⁸ on administrative consortia respond to the reality and the NRRP requirements will be monitored, and the organization and functioning of other types of partnership concluded between TADs will be analysed.

Continuing the reform of the public procurement system

Improving public procurement transparency and efficiency, increasing the administrative capacity of the contracting authorities and pursuing the ex-ante control reform are the main strands of action sustained by the activities of the project *Support in the implementation of the National Strategy on public procurement by strengthening the administrative capacity of ANAP and the contracting bodies*, currently under implementation by ANAP. Within this project, automation and digitalisation of the *legislative screening* is carried out by ANAP.

Protocols were concluded with the contracting authorities to support them to streamline the public procurement process and apply the related rules and procedures in a unified manner. Moreover, steps were taken *to develop specialized training and improvement programmes in public procurement*, with WB support. As from Q3/2022, ANAP (in partnership with INA) started the specialized online training programme¹³⁹, the first five training series being held by late March 2023. By the end of 2023, specialized training and further training in the field of public procurement will be completed for at least 4,100 beneficiaries.

Centralized procurement pilot units have been established *at local level/UCA*¹⁴⁰, and in order to *strengthen the capacity of ANAP to carry out ex-ante controls*, the EIB provided assistance

¹³⁴ Code SIPOCA 399

¹³⁵ Based on the monitoring framework mechanism developed through the project *Systematizing legislation, monitoring and assessing tools in public administration* (Code SIPOCA 59), completed in Q2/2020

¹³⁶ Based on the evaluation mechanism developed under the SIPOCA 59 project, completed in Q1/2022

¹³⁷ The drafts *GDs for the adoption of the methodology for identifying and evaluating landscapes, the methodology for identifying informal settlements, and the methodology for calculating and applying the territorial development index*; the draft *GD on the approval of the procedure for assessing the territorial impact of territorial strategies, programmes and policies elaborated by the central public administration authorities*; the draft *GD for the approval of the SDTR Implementation Plan*.

¹³⁸ *Law No 375/2022 amending and supplementing the Administrative Code*

¹³⁹ The specialized training programme for the personnel with tasks in the field of public procurement in local authorities and public institutions, central public authorities and their subordinates

¹⁴⁰ Harghita County Council UCA, the Sibiu County Council UCA and Timișoara Mayor Office UCA

on issues related to horizontal quality checks, their opinions being transposed into working documents to ensure a consistent unitary approach. At the same time, non-sectoral trainings were held to upskilling the staff and for a better understanding of the markets and of relevant fields¹⁴¹. Provisioning *the necessary technical support for the verification of the technical specifications for the procedures that make the object of IT&C* was completed in December 2022.

Ensuring the quality of the centralized public procurement and implementing methods to streamline and effectively manage this process are being achieved through the project *Development and implementation of integrated electronic mechanisms for the unfolding and monitoring of centralized procurement*¹⁴².

In 2022, the award documentation for the centralized procurement procedures for motor vehicles, lighting fixtures and indoor light sources, as well as cleaning products was finalized, the framework agreements for stationery and office supply, provision of mobile telephony services and motor vehicle supply were signed, and *new working tools*¹⁴³ for streamlining centralized public procurement were defined. The sixth and last) working tool¹⁴⁴ was consolidated and delivered by the EIB experts in April 2023.

In view of amending and supplementing *GEO No 46/2018 on the establishment, organization and functioning of ONAC* and the *GD No 119/2019 for the approval of the Implementing regulation for the application of the provisions of GEO No 46/2018 and for amending the Annex no 1 of the GD No 502/2018*, inter-ministerial discussions within a technical working party¹⁴⁵ took place, and both MS and MAI-DSU agreed on the proposed draft normative act for which amendments to legislative framework is going to be initiated.

The service procurement agreement for the development of the centralized procurement platform was concluded on 1 April 2022, and the supply agreement for the hardware and software equipment necessary for the operation of the platform was concluded on 23 November 2022. The WB team provides assistance to the ONAC team in the implementation of both contracts. The in-depth analysis of the functional requirements and the e-Platform architecture and design document were received in November 2022; development, integration, testing and commissioning of the platform, data migration and staff training are going to be completed by the end of the agreement. The related hardware and software equipment was received in February 2023.

Other actions to support the functioning of the administration

To ensure an *efficient justice*, the *Programme for Government 2021-2024* sets out a series of **objectives** articulated around several key elements, such as: *a balanced and responsible judiciary, access to the public justice service, trained human resources, ethics, integrity, prevention of corruption throughout the administration*. The measures envisaged aim, among others, at revising the legislation to make it predictable for the citizens, private sector, institutions, including policy makers, promoting alternative resolution of civil disputes, strengthening the institutional dialogue and the cooperation with the business environment, etc.

In 2022, the legal framework on *justice* field was supplemented with a series of normative acts with impact on the various components, such as insolvency and insolvency prevention procedures, making records in the trade register, ensuring a safe hearing framework for the child, injured person or witness, adapted use of some measures that have proven beneficial for the institutions in the justice sector. These measures were established during the state of alert

¹⁴¹ As E.g. project management, risk assessment, conflict management and performance evaluation

¹⁴² SIPOCA Code 753, with a total budget of 49.89 million lei and an implementation timeframe of 46 months.

¹⁴³ Implementation of means and methods to mitigate the risks on ensuring integrity, as well as of anti-corruption measures; organizing the monitoring process of the centralized framework agreements and of the subsequent contracts; carrying out the process of collection and aggregation of needs

¹⁴⁴ Consolidating, organizing and carrying out the market consultation process

¹⁴⁵ Set up in September 2022

to prevent and combat the effects of the pandemic, etc.¹⁴⁶

From the perspective of *cooperating with the OECD Working Group on Bribery, (WGB)*, the dialogue with the OECD Secretariat and the Member States of the Group has continued with a view to a proper implementation of the *Anti-Bribery Convention* standards. Moreover, the Government of Romania maintained the objective of joining the OECD Convention as a constant priority, the request in this regard being reiterated in October 2022. In addition, MJ initiated a Good Practices Exchange Programme with the counterparts from Italy that materialised in the Seminar titled the *Romania's Accession to OECD: the Anti-Bribery Convention. Sharing the Italian Experience* (held on 31 October 2022).

Against this backdrop, the focus was placed on raising awareness of the interested stakeholders on the standards of the *Anti-Bribery Convention* and the WGB activities (e.g. a round table dedicated to the public enterprises was held). Romania's commitment on combating bribery of foreign public officials in international business transactions manifested through the financing of our regional initiative *WGB Anticorruption Network*, and the most recent financial contribution of the Network was made in December 2022. In the forthcoming period, dissemination of the integrity and the Convention's standards across the business environment is envisaged.

As a consequence, in March 2023, the full assessment of Romania ended with a favourable decision to accede to the *OECD Anti-Bribery Convention* and the WGB. Thus, on 18 April 2023, Romania was officially invited to join the *Anti-Bribery Convention* and to be part of the WGB.

At the same time, development of the projects benefiting from external financing remains at a core concern: implementation of the ten pre-defined projects under the *Justice Programme* continues (*Norwegian Financial Mechanism/MFN 2014-2021*) and their completion is planned for 2024; as beneficiary, MJ has continued the projects financed by *2014-2020 ACOP*, and as partner, it supported a range of projects funded under this Programme. Most of the projects are scheduled to be completed in 2023. MFN and ACOP projects cover a number of areas such as the *efficiency and effectiveness of the judicial system and strengthening the rule of law; good governance, institutional accountability and transparency; domestic violence; strategic management within the judicial system institutions, etc.*

As from December 2022, MJ manages¹⁴⁷ a *Swiss-Romanian Cooperation Programme*, focused on *fighting organized crime, corruption, economic and financial crime and supporting recovery of debts, and strengthening the juvenile justice system.*

Enhancing protection for all categories of crime victims represents another segment of interest. Several strands of action are under discussion at the level of a Working Party set up within MJ¹⁴⁸: child-friendly hearing rooms; specialized training of the professionals for different types of crimes and victims; strengthening cooperation between the stakeholders involved (e.g. guides, informal networks of specialists); improving forensic medicine services, etc. The most important actions of the Working Party concern the implementation of two projects carried out by the General Prosecutor's Office and Superior Council of Magistracy (CSM): the first project aims at *protecting crime victims* (children, and victims of hate crimes); the second one addresses the *professional training and the capacity building of the judiciary*. Considering the specifics of this issue and the current social context realities, the Working Party activity will continue in 2023.

Extending the application of the *protection order*, a legal tool that has proven effective in practice, along with regulating the methodology for *issuing, distributing and settling vouchers*

¹⁴⁶ The Law No 216/2022 amending and supplementing the laws No 85/2014, No 265/2022, No 51/2023 and No 220/2022

¹⁴⁷ In its capacity of Programme Operator

¹⁴⁸ It comprises most of the institutional actors with responsibilities in the field, but also representatives of the academic environment and civil society. Two meetings of the Working Party dedicated to the crime victims were organized in the 2nd Semester of 2022.

to cover urgent needs (food expenses, accommodation, transport, medicine, etc.) supplement the range of measures intended to support the victims of crime¹⁴⁹.

At the same time, the national authorities pay attention to the efforts of **promoting the legal education**; to this end, a new *collaboration protocol* with MEd, CSM, ICCJ, PICCJ, UNBR was concluded. As a novelty, the protocol will address a target-group comprising pupils and students, as well as teaching staff. The measure aims to increase the information degree and strengthen the ability to point out situations in which rights are violated, but also the rights protection mechanisms.

As for the **local public administration**, the activities dedicated to **strengthening ethics, integrity, principles of good governance and supporting the authorities** continue, in order to consolidate the operational capacity to promote integrity in the public service and prevent corruption. To this end, the dialogue between MDLPA and local authorities will focus on guiding TADs to implement measures to achieve the anti-bribery/anti-corruption objective and to promote innovation, quality and good governance. **For each TAD, as well as at the national level¹⁵⁰, the Integrity Index Score is annually set based on progress reporting.**

In terms of **institutional integrity**, the *further assessment of the assets and interests, the incompatibilities and conflicts of interest along with ensuring an effective follow-up of the ANI cases pending before the courts or the disciplinary committees* remain in the focus of the authorities. In this context, in 2022, substantial progress was made: evaluation of over 1,300 case files was completed, 137 cases of incompatibilities, 62 cases of conflicts of administrative interests, and 7 cases of unjustified assets became final and irrevocable (in this sense, the courts ordered the seizing of over 3 million lei).

In addition, the process of **submitting the asset and interests declarations** was carried out **exclusively electronically**, through the e-DAI platform¹⁵¹. Thus, by 31 December 2022, approx. 400,000 users were registered as declarants, 800,000 declarations were submitted to ANI, and 11,600 institutions with at least one account registered on this platform. In 2023, the online campaigns to promote the e-DAI platform, as well as the training sessions for declarants and responsible persons are expected.

In order to meet the objective of **improving the integrity legislation**, the *NIAct project - Updating the Legislation in the Integrity field and Providing Support to the Authorities and Declarants in the Transition to the Digital Asset and Interests Declaration* started (SIPOCA 1158)¹⁵². Among the progress achieved in 2022, complementary to the above-mentioned objective, it is worth mentioning: organization of two editions of the *Think Tank Integrity* (an experts network specialized in the integrity area in Romania), as well as two training sessions for 41 people in charge with the implementation of the Law No 176/2010, etc.

As a novelty, **ANI became an external reporting channel¹⁵³ - the competent authority to receive reports on the violations of the law, which have occurred or are likely to occur within the authorities, public institutions or other legal entities under public law, as well as within the legal entities under private law, where the whistleblower works or has worked or with whom he is or has been in contact through his activity, but also information on the attempts to conceal such violations.** Upon request, ANI can provide confidential advice to the individuals who wish to report, as well as assistance on their protection by any authority against reprisals.

¹⁴⁹ In October 2022, the draft Law on the protection order was submitted to public debate and it is to be submitted to the inter-institutional approval circuit. The public consultation procedure for the draft GD on the above-mentioned methodology was initiated in February 2023.

¹⁵⁰ When calculating this Score, the cumulative fulfilment of two indicators is considered: the degree of procedural compliance and the degree of compliance with the integrity standards.

¹⁵¹ The Electronic Asset and Interests Declaration System. As from January 2022, the asset and interests declarations are submitted to ANI exclusively in electronic format, through the above-mentioned system.

¹⁵² Implemented by ANI, in partnership with MJ and Transparency International Romania (February 2022 - August 2023)

¹⁵³ According to Law No 361/2022

According to Law No 361/2022, the ANI structure responsible for managing reports on the violations of the Law became operational in February 2023.

The measures presented in this chapter can contribute to the fulfilment of SDG 11 and SDG 16.

4. PROGRESS TOWARDS UN'S SUSTAINABLE DEVELOPMENT GOALS

The Department for Sustainable Development (DDD) within the working apparatus of the Romanian Government, subordinated to the Prime Minister, contributes to the strengthening of efficient, responsible and inclusive public institutions, as well as the implementation of the Romania's Sustainable Development Strategy 2030 (NSDSR) by supporting the development of the adequate institutional framework for increasing the institutional capacity of central public authorities in the field of sustainable development, allowing evidence-based public decision making in a projective manner, and anticipating systemic developments and risks. In 2023, DDD continues to implement the *Sustainable Romania - Development of the Strategic and Institutional framework for the Implementation of the NSDSR 2030* *(SIPOCA 613), project co-financed by ESF and participates in the implementation of the projects *Consolidation of capacities in the field of public governance - a coordinated approach of Centre of the Government of Romania* funded by the EEA and Norway Grants and *Improving policy coherence, transparency and coordination at the Centre of the Romanian Government* funded by the Technical Support Instrument of the EC (DG REFORM), both projects benefiting from technical assistance provided by the OECD.

Among the SIPOCA 613 project results achieved in 2022 there are worth mentions: development of the *Action Plan for the implementation of the NSDSR 2030*; the professionalization of the Sustainable development expert position by training 150 employees from the central public administration; launch of the new set of national sustainable development indicators and an aggregator of national (INS) and European (EUROSTAT) statistical data, with open access to the public; establishment of a measurement-monitoring framework for the indicators; completion of the Romanian Code of Sustainability.

The NSDSR related Action Plan was approved by GD No 754/2022. The actions included in the Plan target mainly the inter-institutional coordination, for the line ministries and all relevant institutions be actively involved in the implementation of the Strategy.

The national set of sustainable development indicators, validated in February 2022 by the Advisory Council for Sustainable Development, is a tool for informing decision-making processes within the central administration, and comprises 291 indicators (243 unique indicators and 48 multiple indicators), of which 99 are main indicators and 192 are supplementary indicators.

Collection of indicators related data, which is part of the NSDSR monitoring mechanism, is based on tripartite inter-institutional collaboration agreements signed between the General Secretariat of the Government, through the Department for Sustainable Development, the National Institute of Statistics (INS) and the relevant institutions for indicators in question. This system of agreements aims to ensure the consistency of the NSDSR implementation by monitoring Romania's progress and development trends.

The multi-disciplinary statistical data aggregator has a double role: to support the decision-making in the central public administration (including through anticipatory, projective positioning and forecasting socio-economic developments) and to monitor the implementation of the NSDSR 2030. The platform is available online at: <http://agregator.romania-durabila.gov.ro/>. In addition to objective measurements, this platform also includes a section dedicated to public perception captured through 50 public opinion barometers.

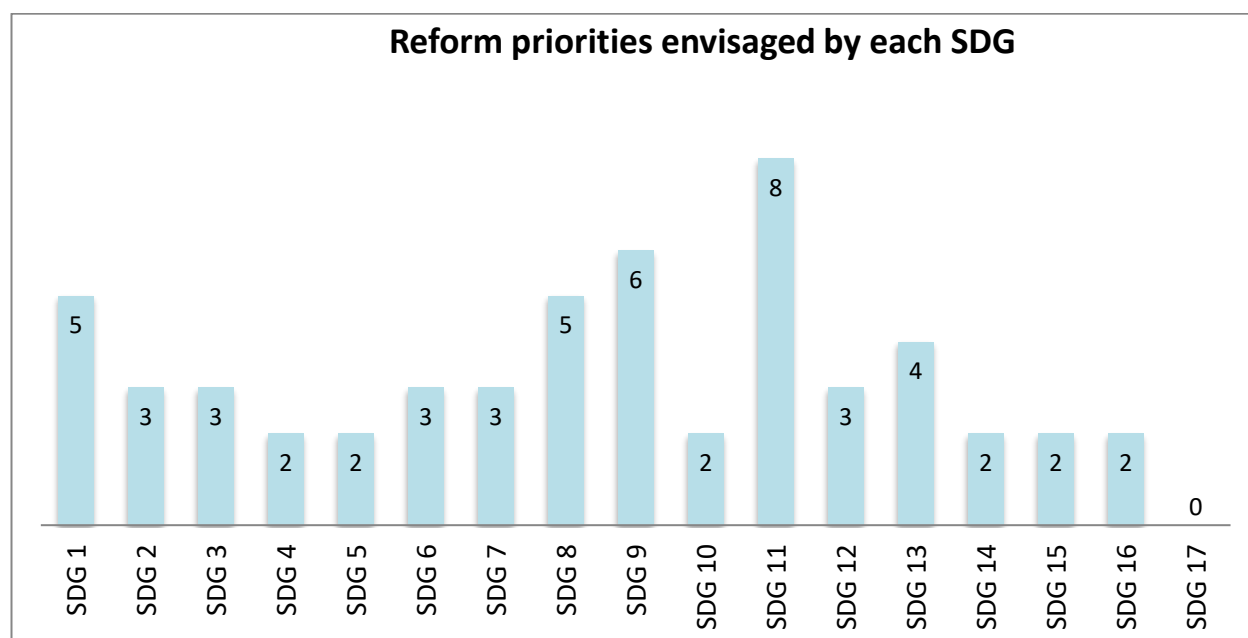
Within the SIPOCA 613 project, DDD has made efforts to update the specific legal framework so that public institutions can include and adapt job descriptions for public officials with responsibilities in sustainable development. Thus, through Law No 156/2022, the specific public position of *sustainable development expert* was included in the Administrative Code; this is a profession that can be practiced after graduation of postgraduate training courses/ programmes, organized in accordance with the *Sustainable Development Expert* occupational standard.

In May 2022, DDD launched the postgraduate training and continuing professional development programme *Public Administration for Sustainable Development*, in which 150 staff from central public authorities and institutions were trained, from May to October 2022, as sustainable development expert, learning about the economic, social and environmental dimensions of sustainable development, green budgeting, public policies, taxonomy, statistics, etc.

Between November 2022 and February 2023, a series of 8 regional conferences on the implementation status of the NSDSR 2030 took place in each of Romania's 8 development regions. These events brought together over 900 people working in local public administration, the business environment, or the non-profit sector, including universities, research institutes, and youth organizations. The events presented participants with tools developed by DDD to facilitate the implementation of the NSDSR, which aim to promote local and regional development by harmonizing the 3 pillars of sustainability.

The Romanian Code of Sustainability is another important tool developed over the past year, facilitating the implementation of the NSDSR, and a tool for non-financial, transparent reporting on companies' activity from in terms of impact of their operations on the sustainable development. A Code User Guide was also elaborated, in which examples of good practice are presented. The reporting will be performed electronically, on the virtual platform <http://codsustenabilitate.gov.ro/> , where information of entities concerned related to aspects such as: value chain complexity, innovation, use of natural resources, climate-relevant emissions, equal opportunities, qualifications, human rights, corporate citizenship, political influence, EU taxonomy, etc. will be presented. The virtual platform supports users interested in data comparability and best practices in the field of sustainability, as well as those who make business decisions based on the importance a company places on this topic. In April 2023, the GD on the operationalization of the Code was drafted.

In March 2023, DDD organized three training sessions on the use of the Romanian Code of Sustainability, attended by more than 100 representatives of the private sector, but also of national institutions with tasks in the financial field.



SDG - Reform Priorities Correlation

SDG No	Reform Priorities										No of reform priorities envisaged by each SDG	
	3.1. Fiscal and budgetary policy and financial stability	3.2. Green transition		3.3. Digital transformation	3.4. Business environment and competitiveness			3.5. Employment and social policies	3.6. Health	3.8. Strengthening administrative capacity and other governmental measures		3.7. Education and skills
3.2.1. Environment and climate change	3.2.2. Energy	3.4.1. Creating a favourable environment for public and private investments	3.4.2. Transport		3.4.3. Research, Development and Innovation (RDI)							
1		✓		✓	✓			✓	✓			5
2		✓						✓				3
3		✓						✓	✓			3
4								✓			✓	2
5								✓	✓			2
6		✓	✓					✓				3
7		✓	✓					✓				3
8	✓			✓	✓			✓			✓	5
9		✓	✓	✓	✓	✓	✓					6
10								✓	✓			2
11		✓	✓	✓	✓	✓		✓	✓	✓		8
12		✓	✓		✓							3
13		✓	✓		✓		✓					4
14		✓					✓					2
15		✓	✓									2
16				✓						✓		2
17												0

5. INSTITUTIONAL ISSUES AND STAKEHOLDER INVOLVEMENT

Elaboration of 2023 NRP

The 2023 European Semester remains intrinsically interlinked to the RRF and the implementation of the REPowerEU Plan, providing a robust framework for effective economic and employment policies coordination.

In this context, the elaboration of the 2023 NRP was managed by the two national coordinators - MFA, for the European Semester, and MIPE, for NRRP, involving a significant number of institutions from the central public administration. To ensure the complementarity between the two processes, 2023 NRP brings together both elements related to the NRRP implementation (addressed in connection with the bi-annual reporting), as well as reforms, investments, and initiatives outside the framework of this Plan.

The structure of the 2023 NRP is aligned with the pillars under the scope of application of the Regulation establishing RRF and it is also in line with the EC's Guidance on the content and format of NRP. The current Programme ensures the continuity with 2022 NRP, by combining the actions already undertaken and highlighting their progress, as well as the steps to be followed, with proposals for new actions (other than those covered by NRRP), defined while considering the priorities set at EU level and those from the Government's Programme or other national strategic documents of sectoral nature.

In fact, the 2023 NRP describes the *macroeconomic context and scenario, the reform priorities*, underlining the following key sectors: *fiscal-and budgetary policy, banking and financial stability, green transition* (environment, climate change and energy), *digital transformation, business environment and competitiveness* (public and private investment, transport and RDI), *labour market, social inclusion and combating poverty, health, education and skills, and administrative capacity*. The measures taken at the national level to achieve the UN Sustainable Development Goals are addressed in a separate chapter.

Annexes on: (i) the main developments in 2022 in the implementation of the response measures to 2019-2022 CSRs (table extracted from the EC's electronic database, CeSaR), (ii) the NRRP implementation state of play (table extracted from the EC's electronic database, FENIX), (iii) the main measures for implementing the principles of the *European Pillar of Social Rights* are also available in NRP.

According to practice, the draft 2023 NRP was submitted to the public authorities involved in implementation for consultation and validation purposes; subsequently, it was subjected to Government for approval as Memorandum.

Overall, the 2023 NRP aims to ensure the continuity of reforms from the previous period, with the addition of new commitments and measures to meet the current challenges, including in terms of post-pandemic economic and social recovery.

Stakeholder consultation on the draft 2023 NRP

To provide an overview of the European Semester and its subsumed processes, but also to ensure transparency in the communication process, data on this topic are available on the MFA website (information is periodically updated depending on the main stages of the Semester).

In order to ensure a common understanding and greater ownership of the reform and investment agenda, the collaboration with the key actors focused, as in previous years, on several levels. On MFA initiative, the institutions having an implementation role within the central administration designated/reconfirmed, as appropriate, their representatives (at management and expert level) in charge with managing the European Semester specific issues.

From the perspective of collaboration with the Romanian Parliament, MFA constantly provided

the Chamber of Deputies and the Senate with written information on the defining documents of the Semester. The contributions made in response to the Parliament's requests covered the elaboration of the documentary files in order to participate in those events dedicated to the European themes, with a focus on the Semester.

The dialogue with the *social partners and the civil society in general* also continued: the relevant stakeholders at the national level (trade unions, employers' organisations, NGOs, think-tanks, etc.) were consulted on the draft 2023 NRP, via e-mail communication, in early May 2023.

Amending NRRP and stakeholder consultation

The Regulation (EU) 2023/435 amending Regulation (EU) 2021/241 as regards REPowerEU chapters was published on 27 February 2023. At the same time, the EC presented the Communication *Guidance on NRRPs in the context of the REPowerEU Plan*.

Through the REPowerEU Chapter, Romania obtains a new financing of approx. 1.4 billion euro for strategic investments in the key area of the *energy security* that will allow some clean energy production and storage ecosystems to be developed (e.g. hydropower, photovoltaics). The package of proposed measures (on saving energy, diversifying production capacities, ensuring the supply chain, etc.) will strengthen the resilience of the national energy system, with a positive impact on speeding-up Europe's clean energy transition.

Against this background, on 17 March 2023, according to the national regulatory framework on the decisional transparency in public administration, MIPE launched the **public consultation process** for the interested actors to **submit their proposals for reforms and investments** related to the new REPowerEU Chapter. To render this process operational, MIPE provides stakeholders (organizations and interested individuals) with a *standardized and simplified electronic form* to submit proposals for reforms and investments¹⁵⁴. By 26 March 2023, **50 responses** to this form were received from natural persons (28), institutions (7), and organizations (15). The responses were analysed from the perspective of a possible contribution to the REPowerEU objectives defined by the Regulation (EU) 2023/435, the investments under the new REPowerEU Chapter reflecting part of them.

¹⁵⁴ See: <https://mfe.gov.ro/consolidarea-sistemului-energetic-national-mipe-lanseaza-in-consultare-publica-capitolul-repower-eu-care-va-adeuce-romaniei-14-miliarde-de-euro-pentru-independenta-energetica>

REPORTING EXTRACTED FROM THE EC'S ELECTRONIC DATABASE CESAR ON THE IMPLEMENTATION OF THE COUNTRY SPECIFIC RECOMMENDATIONS 2019-2022

2022.CSR1

2022.CSR1.Subpart 1: Pursue fiscal policies in line with the Council Recommendation of 18 June 2021 with a view to bringing an end to the situation of an excessive government deficit in Romania

Measures

Since the formulation of Council Recommendation in the context of the excessive deficit procedure (EDP), Romania has been constantly acting accordingly by implementing a deficit adjustment policy in order to exit the EDP.

The EDP Recommendation stipulates public deficit targets of 8.0% of GDP in 2021, 6.2% in 2022, 4.4% in 2023 and 2.9% in 2024.

Thus, in 2021 the target provided by the EDP Recommendation was met, the execution of the general budget ending with a cash deficit of 79.9 billion lei (i.e. 6.73% of GDP).

For 2022, the national budget planning stipulated a deficit target of 5.74% on GDP, corresponding to an ESA deficit of 6.2% of GDP, also in line with the EDP Recommendation. The budgetary execution for 2022 ended with a cash deficit of 5.68% of GDP.

The fiscal measures adopted in 2022 included, among other measures:

- Gradually reducing the scope of the special tax regime for micro-enterprises (GO No 16/2022);
- Extending the suspension of fiscal facilities for early education expenditures until 31 December 2023 (GEO No 168/2022).

The budget approved for 2023 and the medium term planning are **continuing the deficit adjustment policy to exit EDP**, providing for budgetary deficit targets (both ESA and cash) of 4.4% of GDP in 2023, 2.95% of GDP in 2024 and 2.9% of GDP in 2025.

The main medium-term objectives of the fiscal policy target:

- ✓ Ensuring macroeconomic stability and public investments with multiplying effects and maintaining governmental debt at sustainable levels, which would allow Romania to re-enter the group of states with healthy public finances by the end of 2024;
- ✓ Continuing to harmonize national legislation with the EU acquis by transposing the measures adopted by the European institutions, including in the field of corporate tax. This includes the European Commission (EC) initiatives in the *Action plan for fair and simple taxation supporting the recovery*. Moreover, in 2023 the provisions

of BEPS global initiative on avoiding tax base erosion and profit transfer will be transposed (Council Directive (EU) 2022/2523 on ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the Union);

- ✓ Improving and streamlining fiscal legislation, following a dialogue with the business environment;
- ✓ Improving the legislation on tax evasion;
- ✓ Implementing a compulsory system for electronic invoicing to increase the efficiency and effectiveness of tax collecting, as well as to ensure prevention and fight against VAT fraud and evasion (provided a derogation from the Directive 2006/112/CE on VAT common system is obtained);
- ✓ In the field of income tax and compulsory social contributions of natural persons: resuming withholding tax, addressing labour tax reduction, especially for the low income earners, gradually reduction of tax incentives for construction sector personnel (2025 - 2028).
- ✓ In the area of *local taxes and fees*:
 - Revising the property tax system to make it more efficient, transparent and fair and streamlining this system by 2024 in order to contribute to a sustainable economic growth;
 - Gradually reducing fiscal facilities in the field of property tax, according to the outcomes of the review conducted to that end;
 - Granting facilities by local government authorities: plots of land for building housing units, establishing facilities on local taxes and fees;
 - Allowing local government authorities to support families with dependent children through tax reductions/ exemptions, as well as by granting complementary scholarships for pupils and students from large families.

The last two measures aforementioned will be implemented by the MF and the MFTES (according to the *Parliament Decision No 42/2021 on giving the vote of confidence to the Government*), and will be considered in the context of the recommendations formulated by the independent institution providing the analysis on improving the structure of tax system in Romania, to implement NRRP measures.

2022.CSR2

2022.CSR2.Subpart 1: Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 3 November 2021.

Measures

Monitoring of the NRRP implementation is conducted in an integrated manner at the national level through the Interministerial Committee for Coordination of the National Recovery and Resilience Plan, led by the Prime Minister, as Chairman and the Minister of European Investments and Projects, as Deputy Chairman, involving all

relevant institutions at the level of the central administration.

Implementation of the NRRP is progressing in accordance with the EU Council Implementing Decision. Thus, on 15 December 2022, Romania submitted to the EC the second payment request related to the fulfilment of 51 targets and milestones from the first two quarters of 2022.

Progress reporting in the implementation of the NRRP is carried out through the dedicated electronic tool - FENIX, under the coordination of the Ministry of European Investments and Projects (MIPE).

2022.CSR2.Subpart2: Swiftly finalise the negotiations with the Commission of the 2021-2027 cohesion policy programming documents with a view to starting their implementation.

Measures

The recommendation was fulfilled, considering that both the Partnership Agreement and related Programmes have been formally approved by the EC in 2022.

The programming documents on the investments made at national level from the European funds under the 2021-2027 Cohesion policy were developed by the Ministry of European Investments and Projects (MIPE), as coordinator, in accordance with the provisions of the European regulations, relevant Country Specific Recommendations (CSRs), the National Code of Conduct on the Partnership for the European Funds related to the Cohesion Policy and with the national development needs.

Thus, the programming documents were developed in a broad and effective partnership encompassing national, regional and local authorities, relevant civil society partners, trade unions, business associations and academia.

According to the Regulation (EU) 2021/1060 laying down the common provisions on to the European funds for 2021-2027, Romania developed the Partnership Agreement (PA) establishing methods for the effective and efficient use of funds for the period 2021-2027. Along with the programmes related to the Cohesion policy, the PA includes references to the National Programmes of Internal Affairs, and the Aquaculture and Fisheries Programme.

The PA and the Programmes above were developed to be consistent not only with the European Semester, the relevant CSRs, the European directives and national development needs, but also with the aim of creating the synergies and ensuring the complementarity with the priorities included in the National Recovery and Resilience Plan (NRRP) and to be consistent with the earmarking officially communicated by the EC and with the provisions of the Regulation (EU) 2021/1060.

Moreover, to secure the partnership principle, both the PA and the Programmes were published on the MIPE website for which the public consultation ended early 2022.

On 25 July 2022, the EC approved PA, through the Implementing Decision No C(2022)5132. On 5 October 2022, the strategic document was signed by MIPE (on

behalf of the Government of Romania) and the high-level representatives of the EC.

In parallel, following the partnership consultations conducted in the period October - November 2021, and the informal consultations with the specialized services of the EC, the 8 national/sectoral programmes and the 8 regional programmes were officially submitted to the EC from 6 May 2022 to 15 July 2022. Negotiations took place for each individual programme, resulting second draft programmes, which began to be officially submitted to the EC as from 26 September 2022, with the exception of the Technical Assistance Programme, which was approved on 22 August 2022.

All programmes related to the programming period 2021-2027 were approved by the EC in 2022, through the transmission of the implementing decisions in the electronic data exchange system between the Member States and the EC.

2022.CSR3

2022.CSR3.Subpart 1: Reduce overall reliance on fossil fuels.

Measures

Romania continued to act towards meeting the recommendation, in accordance with the national strategic framework and relevant EU law.

INVESTMENTS FOR THE GRADUAL REPLACEMENT OF COAL FROM THE ENERGY MIX -

The decision to eliminate coal from the energy mix, the timely making of new investments, in particular the preparation for hydrogen of the natural gas energy groups, but also investments targeting the nuclear energy groups (i.e. re-engineering of the Unit 1 and the completion of the project Units 3 and 4 from Cernavoda Nuclear Power Plant), investments in the transport and distribution infrastructure to increase the share of renewable energy by increasing the capacity of connectivity to the grid, together with securing sources of financing, are all key elements in the successful implementation of the decarbonisation, by reaching the objectives set by Romania in all programming documents.

The main measures undertaken by the Ministry of Energy (MEEn) are the following:

(1) Through *GEO No 108/2022 on the decarbonisation of the energy sector, with subsequent amendments and completions*, a general legal framework is established for the phased elimination of lignite and coal-based electricity production from the energy mix, deadlines for the closure and preservation of energy groups operating on lignite and coal, as well as other measures for: a) Gradual elimination of electricity production capacities based on coal and lignite, taking into account the safe and stable operation of the national power system; b) Gradual phase-out of electricity production capacities based on lignite and coal; c) Closure and safety measures for lignite and coal extraction, for the mines and quarries that are to be included in the closure programme; d) rehabilitation and ecological restoration of the land surrounding closed power plants, as well as the related mines and quarries/ serving them; e) professional retraining and other socio-economic measures to support the transition of the workforce and local economic opportunities, including those with a state aid character to reduce the socioeconomic impact.

(2) Contracts for Difference (CFDs) were initiated as the main support mechanism for investments in renewable energy production, along with other complementary

investments (e.g. new investments provided for in the Restructuring Plan of Complexul Energetic Oltenia company); such investments will support an additional capacity of at least 3,000 MW of energy from renewable sources (wind and solar) which will be put into operation and connected to the grid by the end of Q2/2026.

The new investments undertaken in the Restructuring Plan of CE Oltenia include: (i) Isalnita: 850 MW combined cycle gas turbine - CCGT (gas) - to be commissioned in 2026; (ii) Turceni: 475 MW CCGT (gas) - to be commissioned in 2026; (iii) 8 photovoltaic parks with a total capacity of 735 MW - to be commissioned in 2024.

SUPPORTING LESS POLLUTING VEHICLES. The following programmes are ongoing: (1) for the *Programme for Encouraging the National Car Fleet Renewal (RABLA CLASSIC Programme)* two open calls for applications were held, as follows: (a) a session between 8 February 2022 and 31 January 2023 with a budget of 278.78 million lei budget, during which 9,002 applications were submitted of which 7,719 were approved; (b) the ongoing call held between 24 March 2023 and 30 June 2023 has a budget of 157 million lei, and for which 402 funding files were submitted by the end of the Q1/2023; (2) the *Programme for Reducing Greenhouse Gas Emissions in Transport by Promoting Clean and Energy-Efficient Road Transport Vehicles 2020-2024 (RABLA PLUS Programme)* aims at providing grants from the Environment Fund, as eco-tickets for the purchase of new pure electric vehicles or new hybrid electric vehicles, in exchange for handing over used vehicles for scrapping. The purpose of the programme is to improve the quality of the environment through the purchase of new pure electric vehicles or new hybrid electric vehicles. Within this Programme, two open calls for applications were organized, as follows: (a) a session between 8 February 2022 and 31 January 2023 with a budget of 455.93 million lei, during which 5,644 applications were submitted of which 4,972 were approved; (b) the ongoing session held between 24 March 2023 and 30 June 2023 with a budget of 246 million lei, during which 2,083 applications were submitted by the end of Q1/2023; (3) the *Programme for Improving Air Quality and Reducing Greenhouse Gas Emissions by Using Less Polluting Vehicles to Transport Students - electric-hybrid, electric and CNG minibuses* - will start in 2023, amounting to 600 million lei, its related Applicant Guide being currently developed; (4) the *Programme for Scrapping of Used Vehicles (RABLA LOCAL Programme)*, its related Applicant Guide being currently developed.

DEPLOYMENT THE ALTERNATIVE FUELS INFRASTRUCTURE. The following programmes are under implementation: (1) the *Programme for Development of Electric and Plug-in Hybrid Electric Vehicles Charging Infrastructure for Highways, European Roads and National Roads* - currently, the Applicant guide is being developed; (2) the *Programme to Reduce Greenhouse Gas Emissions from the Transport Sector by Promoting the Infrastructure for Clean Road Transport Vehicles: Charging Stations for Electric Vehicles in the County Seat Municipalities* - applications submitted by 30 municipalities were approved and 30 contracts were concluded for a total of 221 charging stations, encompassing 471 related charging points. In 2021, 11 applications for reimbursement requests amounting to 1.49 million lei were approved and paid, and in 2022, 10 applications for reimbursement amounting to 2.36 million lei were approved and paid; (3) the *Programme for Reduction of Greenhouse Gas Emissions from the Transport Sector by Promoting the Infrastructure for Clean Road Transport Vehicles: Charging Stations for Electric Vehicles in Localities* - an open call session was held between 8 December 2021 and 12 August 2022, with a budget of 500 million lei, and during which 1,027 applications were submitted of which 104 files were approved, the remaining ones being under evaluation; (4) the *Programme for Development of Electric and Plug-in Hybrid Electric Vehicles Charging Infrastructure in Localities, by Installing Normal Power Recharging Stations* - A call for applications was held between 14

November 2022 and 23 January 2023, with a budget of 500 million lei, during which 76 applications were submitted.

REDUCING DEPENDENCE ON FOSSIL ENERGY SOURCES IN THE ECONOMY - According to Regulation (EU) 2020/2221 amending Regulation (EU) No 1303/2013 as regards additional resources and implementing arrangements to provide assistance for fostering crisis repair in the context of the COVID-19 pandemic and its social consequences and for preparing a green, digital and resilient recovery of the economy, a new priority axis *PA 10 - Protecting the health of the population in the context of the health crisis triggered by COVID-19, increasing energy efficiency and the use of renewable energy sources, with the Specific Objective SO 10.2- Increasing energy efficiency and using renewable energy sources to prepare for a green, digital and resilient recovery of the economy* was included under LIOP 2014-2020 and under REACT-EU funding for measures dedicated to energy efficiency and RES use. The LIOP amendment was approved by the EC on 23 November 2021.

Moreover, through a new LIOP amendment approved by the EC on 15 November 2022 for the reduction of dependence on fossil energy sources, measures contributing to reaching this objective are covered by European funds, as follows: (1) Promoting energy efficiency and the use of renewable sources of energy to cover companies domestic energy consumption (for SMEs, micro-enterprises, large enterprises); (2) Promoting the use of renewable energy sources, at territorial administrative divisions (TADs) level, both for domestic consumption and for the feeding the electric power produced into the national power grid.

In that regard, a new priority axis was introduced under the LIOP i.e. *PA 11 - Measures to improve energy efficiency and stimulate the use of renewable energy, encompassing the two specific objectives - SO 11.1 - Energy efficiency and the use of energy from renewable sources for enterprises' domestic consumption and SO 11.2 - Measures to produce energy from renewable sources for local government authorities*, with funding from the CF. Implementing measures are ongoing.

2022.CSR3.Subpart 2: Facilitate the further expansion of sustainable energy production by accelerating the development of renewables

Measures

Romania has continued the implementation of measures and investment projects aimed at expanding the production, distribution and consumption of renewable energy.

INCREASE RES PRODUCTION AND CONSUMPTION/ LEGISLATIVE MEASURES - A series of legislative and financial measures aimed at accelerating the increase of RES use for all categories of consumers were adopted as follows: (1) Adoption of *GEO No 143/2021 for the amendment and completion of Law No 123/2012 of electric power and natural gas, which amends some provisions of Law No 220/2008* for the establishment of the promoting system for RES production, to foster and support the use of RES for the distributed power generation, at household and small producers level, which allows increasing the number of prosumers in Romania; (2) Adoption of *GEO No 163/2022* supplementing the legal framework on the promotion of the use of energy from renewable sources, and amending and supplementing certain regulatory acts. This Ordinance provides rules for the regulation of renewable energy

communities, criteria for sustainability and reduction of greenhouse gas emissions for biofuels, bio liquids and biomass fuels, cooperation mechanisms, etc.; (3) Development of the legal framework on the functioning of the Contracts for Difference (CFD) financing mechanism, as well as the state aid scheme for operating through CFD for generating electric power from onshore wind and solar energy renewable sources to increase the share of renewable energy sources in the total energy mix and the reduction of greenhouse gas emissions, which is to be completed by the end of 2023. In that regard, the pre-notification of the CFD mechanism was submitted to the EC; (4) Development of new renewable energy-onshore and offshore wind/ solar generating capacities; (5) Making investments in new low-carbon production capacities and the related regulation for the establishment of a favourable and attractive investment environment to support investments in this sector; (6) The unprecedented level of funds allocated to the development and modernization of the energy sector which are earmarked for investments in new natural gas capacities with low emissions, SRE - wind and solar, hydrogen - electrolytic production capacities, batteries, biofuels, network consolidation and modernization from the perspective of taking over renewable energy production and feeding it into the power grid; (7) The Modernization Fund finances investments in priority sectors, selected based on national strategies and objectives at European level. The funding allocation mechanism for the Modernization Fund is implemented through key-programmes, developed based on priority sectors, including RES in the electrical power sector and RES in the heating and cooling sector.

DEVELOPMENT OF DISTRIBUTED POWER GENERATION FROM RENEWABLE SOURCES (RES) - In order to develop the distributed power generation from renewable sources with an installed power of up to 400 kW belonging to prosumers, in accordance with the provisions of Law No 123/2012 of electricity and natural gas, with subsequent amendments and completions, which transposes the Directive (EU) 944/2019 on common rules for the internal market for electricity and amending Directive 2012/27/EU, **measures have been implemented to ease the integration of renewable energy production facilities in the electric power transmission and distribution networks.**

Moreover, **new mechanisms were implemented for quantitative compensation/ financial adjustment** between the electricity consumed and the electricity generated and delivered to the power grid by the prosumers.

At the same time, **the entire consumption of electricity generated from renewable sources was exempted from the obligation to purchase green certificates.**

In addition, as from 2023, a new regulatory framework is implemented for active customers who consume, store and sell the electric power they produce themselves, in accordance with the provisions of *Law No 123/2012 of electricity and natural gas*, with subsequent amendments and completions.

FOSTERING THE USE OF PHOTOVOLTAIC PANEL SYSTEMS WITH FUNDING FROM THE ENVIRONMENT FUND - (1) The Environment Fund Administration (AFM) Programme for the *Installation of Photovoltaic Panels for Electricity Production to Cover the Required Consumption and to Deliver the Surplus to the National Grid, for the Bucharest - Ilfov Region (the so-called **Green Photovoltaic House**)* has as purposes to finance the acquisition and installation of photovoltaic panel systems that use renewable, non-polluting energy sources, to produce electricity and use thereof by consumers connected to the national distribution power grid. In the 2019 session, 2,030 financing agreements were concluded for the Bucharest - Ilfov region, and in the 2021 session, 2,187 financing agreements were concluded, for which the amount of 84 million lei was disbursed. The call for proposals held between 29 December 2021 - 7 February 2022

earmarked 263.7 million Lei from which 39,380 applications submitted were funded. (2) The Programme for the Installation of Photovoltaic Systems for Isolated Households - having natural persons as beneficiaries: by the end of December 2021, 56 contracts for 897 photovoltaic panel systems were concluded, and applications amounting to 19.3 million lei were funded by late 2022.

FOSTERING ENERGY PRODUCTION AND CONSUMPTION FROM RES / FUNDING MEASURES THROUGH STRUCTURAL AND COHESION FUNDS AND SEE AND NORWAY GRANTS - (1) the *Programme for the Installation of Photovoltaic Panels for Electricity Production to Cover the Required Consumption and to Feed the Surplus to the National Power Grid for Seven Development Regions of Romania (funded by ROP)* - 11,344 financing contracts for final beneficiaries are expected to be funded, with an eligible value of 105.24 million euro (of which an ERDF contribution of 89.45 million euro) - by 30 December 2022, seven project applications were approved, with an eligible value of 105.8 million euro, and 35.2 million euro were disbursed; (2) Investments to Support the Power Generation from Less Exploited Renewable Resources (i.e. biomass, biogas, geothermal) (LIOP SO 6.1.) - for the Generation Sector, 15 project applications amounting to 71.29 million euro were approved; for the Distribution Sector, four project applications amounting to 11.27 million euro were approved. (3) Under The *Programme for Renewable Energy, Energy Efficiency, Energy Security*, funded by EEA and Norway Grants 2014-2021, (62.8 million euro), 123 project applications are under implementation phase, and 19 projects have been fully implemented).

ADDITIONAL FINANCING OF ENERGY PRODUCTION FROM RES UNDER LIOP - In addition to the measures financed by PA 6, SO 6.1 - Increasing Energy Production from Less Exploited Renewable Resources (i.e. biomass, biogas, geothermal), the measures on the financing of RES production are supplemented through PA 10, SO 10.2, and PA 11, SO 11.1, and SO 11.2. The amount of 200 million euro was earmarked through the REACT EU from ERDF (100% EU funding) for PA 10, SO 10.2, including for measures on the use of renewables; and the amount of 911.76 million euro, out of which 775 million euro from CF (85% EU funding), was allocated for PA 11, SO 11.1, and SO 11.2.

In 2023, PA 10 and PA 11 funded the following related targets:

(1) PA 10, SO 10.2 - (1.a) outcome indicators: (i) Energy from renewable sources: additional energy production capacity from renewable sources - 60 MW; (ii) Reduction of greenhouse gas emission: estimated annual reduction of greenhouse gas emission - 14,050 tons of CO₂ equivalent; (1.b) output indicators: (i) Gross production of primary energy from less exploited renewable sources - 455.96 thousand toe/year;

(2) PA 11 - (2.a) outcome indicators: (i) Additional energy production capacity from renewable sources (at the enterprise level) - 82 MW; (ii) Reduction of greenhouse gas emission (at enterprise level): Estimated annual reduction of greenhouse gas emission - 69,000 tonnes of CO₂ equivalent; (iii) Additional energy production capacity from renewable sources (by water operators) - 80 MW; (iv) Reduction of greenhouse gas emissions (by water operators): Estimated annual reduction of greenhouse gas emission - 95,000 tonnes of CO₂ equivalent; (v) Additional energy production capacity from renewable sources (by local public authorities) - 490 MW; (vi) Reduction of greenhouse gas emission (by local public authorities): Estimated annual reduction of greenhouse gas emission - 550,000 tonnes of CO₂ equivalent; (2.b) output indicators: (i) Primary energy production from renewable sources - 5,900 thousand toe/year.

Measures

Romania has carried on with its efforts to tailor the strategic framework for facilitating the modernization of power transport networks (for electricity and natural gas), and the implementation of investment projects in accordance with the undertaken strategic objectives, including for the improvement of connectivity in the region.

DEVELOPMENT OF THE POWER TRANSMISSION GRID (RET) / STRATEGIC FRAMEWORK

- The **2022-2031 Power Transmission Grid Development Plan** through the Romanian Energy Regulatory Authority (ANRE) President Decision No 1947/2022. The Plan reveals investment projects ensuring the consistency with the targets provided by the Integrated National Energy and Climate Plan (NECP) on the degree of cross-border interconnection and the integration of electric power production capacities from renewable energy sources. There are included both investment projects of common interest and investment projects at the national level that will contribute to increase the flexibility, security and resilience of power transmission grid and to create the prerequisites for meeting the technical requirements for strengthening the integration of the regional and European energy markets, which would allow an increase of exchanges in the area.

Thus, through the planned investment projects, the **interconnection degree will reach 27.7% in 2026 and 31% in 2031**, and the electricity production capacities from renewable sources to be available for integration reach 8,000 MW (4,500 MW wind and 3,500 MW solar) in 2026, and more with 2,400 MW, respectively 10,400 MW, in 2031 (i.e. 5,300 MW wind and 5,100 MW solar).

INCREASING THE INTERCONNECTION CAPACITY OF THE NATIONAL POWER TRANSMISSION SYSTEM/ PROJECT IMPLEMENTATION

- A series of projects of common interest (PICs) included in the fourth list approved by the EC, under Commission Delegated Regulation (EU) 2020/389 is ongoing. Thus, network reinforcements are planned in the region, which would allow decongesting, both on the East - West transit direction, on the borders with Hungary and Serbia, and on the North - South transit direction, through reinforcement of the Portile de Fier - Resita - Timisoara - Arad corridor (switching from 220 kV to 400 kV), and by reinforcing the evacuation corridor for the power generated by renewable sources power plants from the South-East Romania.

To achieve the committed level of interconnectivity, the 2022-2031 Power Transmission Grid Development Plan included a series of investment projects, out of which the projects of common interest are the following: (1) LEA 400 kV with the double circuit (d.c.) Resita (Romania) - Pancevo (Serbia); (2) LEA 400 kV Portile de Fier - Resita and the construction of a new 400 kV power station of at Resita; (3) LEA 400 kV d.c. Resita -Timisoara - Sacalaz - Arad, including construction of the Timisoara and Sacalaz 400 kV power stations and extension of the Arad 400 kV power station; (4) LEA 400 kV double-circuit Cernavoda - Stalpu, with an in/out circuit, at Gura Ialomitei; (5) LEA 400 kV double-circuit Smardan - Gutinas (one equipped circuit). The aforementioned projects are currently in execution.

Regarding the interconnection with the power system of the Republic of Moldova, the LEA 400 kV Suceava (Romania) - Balti (Republic of Moldova) project is ongoing.

DEVELOPMENT OF THE NATIONAL NATURAL GAS TRANSMISSION NETWORK - The 2022-2031 Development Plan of the National Natural Gas Transmission System was approved by the ANRE President Decision No 1944/2022. The Plan includes major investment projects, aiming at reconfiguring the natural gas transmission network by ensuring a proper degree of interconnectivity with systems from neighbouring countries and thus creating the single integrated market at EU level, as well as by establishing natural gas transmission routes for connecting the Central European Markets with new sources of supply from the Caspian Sea, including from the off-shore perimeters of the Black Sea. Thus, for the implementation of the strategic objectives, projects in various stages of completion are implemented with the aim to interconnect or increase the bidirectional flow transport capacity with Hungary, Bulgaria, Moldova, and Serbia.

According to the Plan, major projects estimated at approx. 3.55 billion Euro (of which 698 million Euro for Final Investment Decision (FID) and A non-FID projects) will be funded. The projects put forward encompass: (1) the Development on the Romanian soil of the National Gas Transmission System on the Corridor Bulgaria - Romania - Hungary - Austria (BRUA): (i) Phase 1 (completed in Q4/2020) - with the aim to ensure the technical possibilities of a bidirectional flow, respectively a transmission capacity of 1.75 billion m³/ year between Romania and Hungary, and 1.5 billion m³/ year between Romania and Bulgaria; (ii) Phase 2 (estimated completion deadline: Q4/2025) - its goal is to ensure a natural gas transmission capacity of 4.4 billion m³/ year to Hungary, respectively 1.5 billion m³/ year to Bulgaria - the technical project and technical documentation for obtaining the construction permit are completed; (iii) Phase 3 (estimated completion deadline: 2027) aims to build an additional route through the centre of Romania and a new interconnection with Hungary, depending on the increase in the offshore production on the Black Sea; (2) the Development of the Southern Transit Corridor on the Romanian soil for taking over the natural gas from the Black Sea involves the construction of a telescopic pipeline on two sections, estimated to be completed by 2025 and encompassing a total investment of 371.6 million euro. The project is included in the fifth list approved by the EC, under Commission Delegated Regulation (EU) 2021/335. The project would facilitate the processing of the natural gas from The Black Sea in the National Transport System (SNT), in order to transport the natural gas to Romania and to European Markets - the works contract was concluded; (3) Romania's Interconnection Project with Serbia involves the construction of a new natural gas transmission pipeline that will ensure the connection between the "BRUA" natural gas transmission pipeline and the Mokrin Technology Node in Serbia, and has an estimated total investment value of 56.21 million euro, and the estimated completion deadline is Q4/2028. The project will allow for an interconnection pipeline with Serbia in order to diversify sources of supply and increase the degree of energy security in the region - the technical project and the tender book are completed; (4) the project Development/ Modernization of the Natural Gas Transport Infrastructure in the North-West Romania entails the achievement/ modernization of some objectives related to the National Transmission System to develop new natural gas transmission capacities or expand the current ones. The total estimated value of the investment is 405 million euro, and the estimated completion date is 2026 - the pre-feasibility study is completed; (5) the project Increasing the Natural Gas Transmission Capacity of the Romania-Bulgaria Interconnection on the Giurgiu-Ruse Direction - the estimated total value of the investment is 51.8 million euro and the estimated completion deadline is 2027 - the pre-feasibility study is completed; (6) the project SMG Isaccea 2 and SMG Negru Voda 2 Modernization to achieve bidirectional flow on the Transit 2 pipeline will ensure the bidirectional flow at the Ukraine and Bulgaria border on the Transit 2 Pipeline. The estimated value of the investment is 26.65 million euro, and the estimated completion deadline is 2024. The project will create the possibility of

bidirectional flow on the Transit 2 pipeline, part of the Trans-Balkan corridor - the technical project is in progress. (7) The project for Modernisation of the Isaccea 3 and Negru Voda 3 Natural Gas Metering Station (SMG) to achieve Bidirectional Flow on the Transit 3 Pipeline will ensure bidirectional flow at the Ukrainian and Bulgarian borders, on the Transit 3 Pipeline, part of the Trans-Balkan Corridor. The estimated value of the investment is 26.65 million euro, and the estimated completion deadline is 2028.

INCREASING THE CAPACITY OF NATIONAL ENERGY TRANSPORT SYSTEM WITH LIOP FUNDING - Through LIOP, PA 8, SO 8.1 and SO 8.2, measures are financed to increase the capacity of the National Energy System to take over the energy produced from renewable resources as well as to increase the degree of interconnection of the National Natural Gas Transport System with other neighbouring states, as follows:

(1) By completing the *Financing Agreement LEA 400kV double circuit Gutinas-Smardan, with NATIONAL ELECTRICITY TRANSMISSION COMPANY "TRANSELECTRICA" SA as beneficiary*, 140 km of power line will be constructed leading to the increase of SEN's capacity from 2,200 MW to 3,200 MW, to take over RES production under SEN safe conditions. The investment project is one of national and European interest public utility. At the national level, the project ensures the increase of the SEN capacity for taking over the energy produced from renewable resources by integrating the RES production from the new plants installed in Dobrogea and Moldova, aiming at increasing the security degree in terms of supply for Moldova consumers, and eliminate Power Transmission Grid congestion. The project will allow the transport of the energy generated in the Black Sea area to the consumption and storage centres located throughout the country and further on to Central and Eastern Europe;

(2) 165.15 km of gas transport pipeline will be built and commissioned by completing the funding contract for National Transmission System Developments in North-East Romania to improve the natural gas supply of the area and to ensure transmission capacities to the Republic of Moldova, having THE NATIONAL GAS TRANSMISSION COMPANY "TRANSGAZ" S.A. as beneficiary; the National Natural Gas Transport System transport capacity at the interconnection points will increase from 14.35 billion m³/year to 20 billion m³/year. This project sets the prerequisites for the emergence of a new market for current and future natural gas resources from conventional exploitations in Romania and for off-shore reserves in the Black Sea, and makes its contribution, by adapting flow requirements to provide gas flow in both directions to and from the Republic of Moldova, to the final outcome on the development of a common energy market in Europe;

(3) A new call for applications was launched for *Increasing the Interconnection Degree of the National Natural Gas Transmission System with other Neighbouring States* (LIOP, PA 8, SO 8.2). Project applications selected for funding will contribute to reaching the 2023 target (336 km) of the indicator "the length of smart gas transmission and distribution networks". By 31 December 2022, 25 contracts amounting to 282.99 million euro were signed, all projects being in the implementation phase.

Measures

In response to the recommendation, Romania focuses on the development and implementation of a long-term vision regarding renovation, increasing the energy efficiency of buildings, while ensuring the transition to a green and resilient building stock.

THE NATIONAL STRATEGIC FRAMEWORK FOR LONG-TERM RENOVATION - Ensuring the framework for the implementation of the **Long-Term Renovation National Strategy until 2050** will be pursued, along with the complementarity with the measures from Component 5 of the NRRP: Renovation Wave from NRRP for the first implementation and monitoring period (up to 2030).

Stage 1 from the Action Plan for the implementation of the Strategy (covering the 2022 - 2030 timeframe) targets the following priority objectives and activities: (1) Improving the energy performance of the current building stock by reducing energy consumption, carbon emissions and scale-up the use of renewable energy sources in buildings; (2) Increasing the quality of the building stock by improving the safety of buildings and ensuring the architectural quality and integration into the urban environment of the renovation interventions; (3) Decreasing energy poverty and ensuring a financially accessible heating for low-income families; (4) Streamlining the financing mechanisms regarding the renovation of the building stock; (5) Improving the quality of life for all users by improving thermal comfort, hygiene conditions, safety and air quality; (6) Developing professional skills regarding energy efficiency in buildings and supporting innovation; (7) Ensuring the communication activities of the Long-Term Renovation National Strategy.

GD No 10/2023 amended and completed the GD No 1034/2020 for the approval of the Long-Term Renovation National Strategy to support the renovation of the national park of residential and non-residential buildings, both public and private, and its gradual transformation into a building stock with a high level of energy efficiency and decarbonized by 2050 in order to include the Action Plan for 2030 in this Strategy.

MAKING THE TRANSITION TOWARDS A GREEN AND RESILIENT BUILDING STOCK/ THE NORMATIVE FRAMEWORK - Optimization of the relevant normative framework in the field of energy performance of buildings is carried out by: (1) Developing and approving a package of new technical regulations in the field of Nearly Zero Energy Buildings (nZEB), as guidance, aimed at implementing nZEB requirements for current buildings, with the objective of stimulating and promoting the renovation of buildings from the national building stock by converting them into nZEB level buildings, as well as meeting nZEB requirements for new buildings, within the project *Improving the Consistency of the Regulatory Framework and Efficiency of Technical Regulations in construction sector* (SIPOCA 731), financed through the Administrative Capacity Operational Programme (ACOP) 2014-2020. The applicability of the technical regulations consists in the promotion of measures to increase the energy performance of residential and non-residential buildings to meet the nZEB standard, throughout the stages of building design, execution, and reception of works, as well as during exploitation. In 2022, the approval of the technical regulations was made through the Order of the Minister of Development, Public works and Administration No 2819/2022 for the approval of the technical regulation through the *Guide on the implementation of measures to increase the energy performance applicable to current buildings, in the stages of design,*

execution and reception, exploitation and monitoring of behaviour in time to meet the requirements of nZEB, indicative RTC 3 - 2022 and the Order of the Minister of Development, Public works and Administration No 2818/2022 for the approval of the technical regulation through the Guide on the implementation of measures to increase the energy performance applicable to new buildings, in the stages of design, execution and reception, exploitation and monitoring of behaviour in time to meet the requirements of nZEB, indicative RTC 4 - 2022 of 15 November 2022. (2) Elaboration and approval of the technical regulation titled Guide for carrying out integrated intervention works on multi-family residential and public buildings, for alignment with international level practices on the integrated approach to intervention works on current buildings (multi-family residential and public buildings), from the perspective of improving the building stock through measures to increase the energy performance and mitigate seismic risk. The technical regulation is a procedural tool that complements the integrated approach proposed in the National Strategy for the Mitigation of Seismic Risk with regard the implementation of interventions on current buildings to provide the framework for the implementation of the strategy and investments financed from national funds (the National Programme for the consolidation of buildings facing high seismic risk, regulated by Law No 212/2022 on some measures to mitigate the seismic risk of buildings), and from European funds, including NRRP and Regional Operational Programmes 2021-2027. The approval of the technical regulation was made through the Order of the Minister of Development, Public works and Administration No 3230/2022 on the approval of the technical regulation titled Guide for carrying out integrated intervention works in multi-family residential buildings and in public buildings, indicative RTC 1 – 2022 of 19 December 2022. (3) The revision of the technical regulation titled Methodology for calculating the energy performance of buildings (indicative Mc001/2006): review/ elaboration of comments and examples of application for harmonization with the new generation of European standards elaborated for the application of Directive 2010/31/EU on the energy performance of buildings, approved by the Order of the Minister of Development, Public works and Administration No 16 of 5 January 2023.

INCREASING THE ENERGY EFFICIENCY OF BUILDINGS AND OTHER MEASURES TO INCREASE THE QUALITY OF HOUSING/ PROJECTS AND PROGRAMMES

- The multi-annual *District Heating* Programme is implemented between 2019 and 2027 and it is funded from: the state budget, the budget of the Environmental Fund (400 million lei for the entire implementation period), the local budgets of the beneficiary Territorial and Administrative Divisions (TADs). Thus, in 2022, commitment appropriations amounting to 1,014.30 million lei and budgetary appropriations amounting to 50 million Lei were approved from the state budget based on the provisions of the *State Budget Law No 317/2021, with subsequent amendments and completions*. In 2022, the amount of 29.9 million lei was disbursed by the beneficiary TADs from the funds earmarked from the state budget, through the Ministry of Development, Public works and Administration (for 23 projects), and 66.5 million lei from funds transferred from the Environmental Fund (for nine projects, of which two were fully implemented). Seven new multi-year financing agreements were concluded for three beneficiary TADs and 30 addenda were signed to extend the duration of the contracting period or alter the value of the contracts, according to the provisions of GO No 15/2021 on the regulation of fiscal-budgetary measures for price adjustment of public procurement contracts, as approved with modifications and completions. According to the provisions of the *State Budget Law No 368/2022*, in 2023, commitment appropriation amounting to 1,225 million lei, and budgetary appropriations amounting to 100.9 million lei were approved for the

District Heating Programme.

- *Increasing the energy efficiency of residential and public buildings and public lighting systems (with ROP financing)* - by 30 December 2022, 1,523 project applications were submitted, amounting to 1.85 billion euro, and 917 project applications, with an eligible value of 1.34 billion euro, were approved.
- *Programme on supporting energy efficiency and smart energy management in the public lighting infrastructure 2021 - in 2022*, 468 contracts totalling 631.29 million lei were signed.
- *The Programme on supporting energy efficiency and intelligent energy management in public lighting infrastructure 2022* - a call for applications took place on 19 August 2022 and provided a financial allocation of 500 million lei. During this call, 469 project applications were submitted amounting to 750.55 million Lei. Another call for applications was opened between 30 December 2022 and 5 January 2023, earmarking a budget of 500 million lei being used up in the first seven days of the call. During the call, 515 project applications were submitted amounting to 750.12 million lei.
- *The Programme on the performance of works aimed at increasing energy efficiency in single-family homes, natural person beneficiaries.* The amount allocated to the call for applications held between 15 September 2020 and 15 December 2021 was 130 million lei. During this session, 16,409 applicants registered, of which 2,808 applications were physically submitted. In 2021, 327 contracts totalling 16.39 million lei were signed, and 417 contracts were signed in 2022, totalling 20.68 million Lei.
- *The Programme for the increase of energy efficiency and the intelligent management of energy in public buildings* - Through the 2022 budget, the amount of commitment appropriations was supplemented, up to 2,800 million Lei. The timeframe for inserting the technical data related to the projects in the electronic application was 20 September 2021 - 19 November 2021. During this call, 870 applications totalling 2,100 million Lei were submitted, of which 663 applications totalling 1,587.43 million Lei were approved.
- *The National Programme for replacing used electrical and electronic equipment with more energy-efficient ones* (also known as RABLA ELECTROCASNICE Programme) had two application sessions, as follows: (a) the 17 June 2022 to 14 July 2022 session, with a budget of 50 million Lei, during which 135,926 funding applications were submitted and 65,397 were approved; (b) the 21 November 2022 to 23 December 2022 session, with a budget of 50 million Lei, during which 106,273 funding applications were submitted and 61,168 were approved.
- *The Programme for construction of bicycle lanes* (generally known as BICYCLE LANES Programme) had one application session on 4 November 2022, with a budget of 500 million lei, during which 108 applications were submitted.
- *The National Multiannual Programme on increasing the energy performance of apartment buildings* - three multi-year financing programmes are underway and amounting to 278.4 million Lei, as follows: the amount of 89.6 million Lei for the programme running between 2021-2023, the amount of 75.9 million Lei for the programme running between 2020-2024, and the amount of 112.8 million Lei for the programme running between 2022-2024. For the objectives, in execution, under the three programmes aforementioned, the amount of 54 million Lei was disbursed from the state budget in 2022. Through the State Budget Law, for 2023, budgetary appropriations amounting to 75 million Lei and commitment appropriations in the

amount of 150 million Lei were earmarked.

- The national programme for buildings consolidation with high seismic risk is a **multi-annual programme** of public interest and utility, coordinated by MLPDA, implemented according to **Law No 212/2022 on some measures to mitigate the seismic risk of buildings**. The general objective of the programme is the design and execution of intervention works on current buildings that pose insufficient protection against seismic actions, degradation or damage following seismic actions in order to increase the level of safety against seismic actions, as well as ensuring their functionality according to all fundamental requirements and increasing their energy efficiency. The first part of the programme begins in 2023. In 2023, for this programme, through the State Budget law, funds amounting to 500 million lei as commitment appropriations and 200 million lei as budgetary appropriations were earmarked. Within the programme, a total of 366 funding applications were submitted, out of which 141 funding requests were approved. The summary list will be completed as programme beneficiaries upload the requested documents, following clarifications. Subject to the commitment credits approved for 2023 by the state budget law, starting from 28 March 2023, the TADs whose investment objectives are included in the summary list, may submit documents for the conclusion of financial agreements.
- *Promotion of systems for measuring, recording and monitoring energy consumption on industrial platforms (LIOP SO 6.2 and SO 10.2)* - with an allocated budget of 11.75 million Euro through SO 6.2; according to LIOP, project applications submitted under SO 6.2 that exceed the financial allocation can be transferred for financing to SO 10.2, provided the observance of ERDF REACT EU threshold allocation for SO 10.2; by December 2022, 88 project applications totalling 16.12 million Euro were submitted, of which 48 project applications totalling 8.87 million euro were approved.
- *Construction and modernization of high-efficiency cogeneration power plants (maximum 8 MWe) operating on natural gas and biomass, at enterprise level and which use residual gases from industrial processes (LIOP SO 6.4 and SO 10.2 - REACT EU)* - for the measure regarding high-efficiency cogeneration, five project applications totalling 18.23 million euro were contracted funded through SO 6.4, ERDF, and four projects totalling 4.07 million euro funded through SO 10.2, ERDF-REACT EU.
- *Modernization of the centralized thermal energy transport and distribution systems in certain towns (LIOP SO 7.1 and SO 10.2 - REACT EU)* - for the measures regarding heating networks, nine project applications were approved encompassing a total value of 148.94 million euro financed through SO 6.1, ERDF, and six project applications totalling 88.65 million euro financed through SO 10.2, ERDF - REACT EU.
- *Rehabilitation of the heating system of the Municipality of Bucharest (LIOP SO 7.2)* - project with a total non-refundable eligible value of 244.22 million euro, lots 1-5 are currently under implementation phase.

2021.CSR.1

2021.CSR1.Subpart 1: Pursue fiscal policies in line with the Council Recommendation of 18 June 2021 with a view to bringing an end to the situation of an excessive government deficit in Romania

Measures

Note: For details regarding the measures on the excessive deficit procedure please refer to the section dedicated to the implementation of 2022.CSR1.Subpart 1.

2020.CSR1

2020.CSR1.Subpart 1: Pursue fiscal policies in line with the Council's recommendation of 3 April 2020, while taking all necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery.

Measures

Note: For details regarding the measures on the excessive deficit procedure, please refer to the section dedicated to the implementation of 2022.CSR1.Subpart 1

In the timeframe 2020-2022, the Romanian Government implemented a set of measures for mitigating the negative impact of the pandemic and of the military conflict in Ukraine on companies and households such as: furlough schemes, granting tax facilities for returning from furlough period, postponing tax payments, granting bonuses for tax payments, maintaining access to finance by guaranteeing loans to companies (SME Invest and SME Invest Plus Programmes), moratoria for individuals and legal entities affected by crisis, facilities for day labourers and self-employed persons, exempting certain activities (e.g. HoReCa sector) from tax payments, postponing VAT payment in customs for imports of medicines/ medical devices used in the context of COVID-19, suspending enforcement measures for budget receivables, etc.

In 2022, a series of **support schemes** were implemented in 2022 (after having underwent the notifying procedures to the EC), such as:

- State aid for restructuring the power company - *Complexul Energetic Oltenia S.A.*;
- Support scheme for *payment of electricity and natural gas bills* of non-household consumers, SMEs, micro-enterprises, self-employed, sole proprietorships and family owned and operated companies;
- State aid schemes for mitigating the effects of Covid-19 pandemic and of Russia's military aggression against Ukraine, such as: IMM PROD, RURAL INVEST, GARANT CONSTRUCT, INNOVATION (adopted by GEO No 24/2022); IMM INVEST PLUS encompassing six components (adopted by GEO No 99/2022);
- State aid scheme for *compensating the fuel price growth* (approved by GD No 667/2022 with its subsequent amendments and completions);
- Individual state aid for restructuring the national companies *TAROM SA* and *CFR Calatori SA*.

Note: For details regarding measures on programmes for supporting SMEs please refer to the section dedicated to the implementation of 2020.CSR 3.Subpart 3.

As for the **fiscal administration**, during 2020-2022, and considering the economic and fiscal impact of the pandemic and the international best practices, the National Agency for Fiscal Administration (ANAF) elaborated and implemented **annual action plans for recovering and consolidating the budgetary revenues** (under the objectives of ANAF Strategy for 2021-2024) such as: the Operational Plan for Revenue Recovery (2020/2021), and the *Operational Plan for strengthening the management of budgetary revenue* (2022). The latest plan has continued the previous initiatives, encompassing on five main objectives, as follows:

- Developing services for taxpayers (by strengthening the partnership relation);
- Integrated digital solutions (digital transformation of ANAF);
- Increasing voluntary conformation when submitting/ paying tax statements/ liabilities;
- More action on fighting tax evasion and custom fraud;
- Human Resource management.

Note: For details regarding other measures on strengthening tax compliance and collection please refer to the section on the implementation of 2019.CSR 1.Subpart 3.

2020.CSR1.Subpart 2: Avoid the implementation of permanent measures that would endanger fiscal sustainability.

Measures

Note: For details on the measures adopted please refer to the section on the implementation of 2019.CSR2.Subpart 2.

Note: For details on the measures adopted please refer to the section on the implementation of 2020.CSR1.Subpart 1.

2020.CSR1.Subpart 3: Strengthen the resilience of the health system, including in the areas of health workers and medical products, and improve access to health services.

Measures

Increasing the accessibility and resilience of the health system by implementing the reform in the field is an objective included in the 2021-2024 Government Programme and it is one of the main priorities at national level. This priority will be supported through investments financed from the NRRP, but also from the new programme on the health sector (set up within the 2021-2027 MFF), that is focused, in particular, on investments in medical infrastructure.

Against this background, the draft *National Health Strategy 2023-2030* was developed, encompassing three strategic areas of intervention that holistically cover the protection, the health promotion and the disease prevention amongst individuals and the population as a whole (public health), the adequate provision of high quality and innovative health care services, safe and accessible medical technologies for patients (health services), and the optimal and coordinated functioning of all components of the health system (a smart, sustainable and predictable health system). The draft Strategy was under public debate in April 2023.

In view of modernizing the **health infrastructure and health care network at regional level**, the building of the three regional emergency hospitals (REHs) is underway. In 2020, the major project applications were approved by the EC, and the financing agreements for the three projects were concluded in two stages, benefiting from a non-reimbursable amount of 1.63 billion euro (from the Regional Operational Programme/ROP 2014-2020, Health Programme/HP 2021-2027, and co-financing from the state budget). In order to ensure the national contribution (of approx. 50% of the total investment), the Romanian Government concluded Loan Agreements with the EIB in 2021 for REH Iasi (250 million euro), and Cluj (305 million euro). In April 2022, the Loan Agreement for REH Craiova was concluded (368 million euro). The hospitals civil engineering works will be carried out between 2023 and 2027. With regard to the public procurement procedures, the design services contract for REH Iasi was awarded in late 2021, the design services contract for REH Cluj was signed in April 2022, and the contract for REH Craiova was signed in November 2022. In February 2023, the building permit was obtained for REH Iasi, and on 8 March 2023, the designer delivered the Technical Project and detailed design, which is in the technical verification process. Estimated term for obtaining the building permit for REH Cluj is April 2023, and the designer should deliver the Technical Project and detailed designs no later than 4 May 2023. Moreover, the awarding documentation for the supervision and management services of the civil engineering works was developed for the two projects. The planner delivered the initial report for REH Craiova in March 2023, three months after the order for the commencement of the design services, and it contains some proposals to modify the solutions as against the feasibility study, as well as a series of studies necessary for the design of the hospital. The estimated term for obtaining the building permit is September 2023, with the delivery of the Technical Execution Project and detailed design in November 2023. As of April 2023, the National Agency for Development of Infrastructure in Health (ANDIS) will be responsible for the continuation of projects targeting REH. Through Priority 4 of the Health Programme 2021-2027, the financing of investments in REHs from Iasi, Cluj, and Craiova shall be ensured.

177 project applications related to outpatient infrastructure were submitted (143 projects were approved) for ROP funding. Moreover, 118 project applications on integrated community centres infrastructure were submitted (of which 83 projects were approved).

Over the past years, implementation of the health/ screening programmes on various topics has continued in order to **increase the access of individuals, including of vulnerable people, to quality medical services**. In addition, the 2014-2021 EEA and Norway Grants feeds in with a total budget of 47 million euro to improve the disease prevention related policies and services, and to increase access to health care services for vulnerable groups (23 projects are under implementation). The project *Strengthening the national network of primary health care providers to improve the health of the population, children and adults (including vulnerable persons)* is under implementation. In the timeframe Q3/2018 - Q4/2022, 738,691 low and middle income retirees (earners of an income of up to 990 lei/month, respectively of an income up to

1,139 lei/month starting with 1 September 2019, respectively of up to 1,299 lei/month starting with 1 September 2020, and respectively of up to 1,429 lei/month as of 1 January 2022) benefitted from **medicines in outpatient care**. 45 community health centres are operational. According to the updated database, by late 2022, 144 community nurses and 28 health mediators were involved in the project *Development and implementation of integrated community services to combat poverty and social exclusion* (SMIS code 122607) in the 125 TADs that accepted the implementation of the project out of the 139 selected. MS is the only ministry out of the three partner ministries that coordinated the implementation of the project (having MMSS as project leader) which ensures the sustainability of the human resource by financing the community medical assistant and health mediator positions in a share of over 90% from the state budget, via the ministry, to the county public health directorates, the latter allocating the funds to the mayoralties with community medical assistance staff (for the TADs in the project), according to law. Moreover, the MS ensures the coordination, monitoring, evaluation, and control of 1,920 community medical assistants and 488 health mediators, over 95% of them being financially supported (by the MS) through funds from the state budget. In addition, by the Ordinance No 21/31 January 2023, some normative acts with an impact on health domain were amended, for a pilot project to be implemented and aiming to increase the access of the vulnerable population from medical and medico-social perspective resident of localities with limited access to basic medical services from remote communities and with reduced access to medical services.

As from 1 April 2022, by the MS/CNAS Order No 955/181/2022, several types of provisions were regulated, namely: **expanding the package of medical services in primary health care** by introducing diagnostic and therapeutic services that can be provided both at the practitioner office, at patient`s home, and at the place of request. In addition, it allowed family physicians to detect pre-diabetes cases and to prescribe the necessary treatment; the service package in the ambulatory care medical assistance for clinical specialties targeting medical check-ups and services provided by the physical medicine and rehabilitation consultants has been expanded. The list of medical specializations according to which health care procedures related services can be recommended was also expanded by introducing the physical medicine and rehabilitation specialization. The regulations on the payment mechanism of primary health care providers and ambulatory care providers for the clinical specialties were reviewed by regulating the guaranteed values of points per capita (only in the case of primary health care) and per medical service (for primary health care and specialist health care for the clinical specialties). The basic package of medical services encompassing the physical and rehabilitation medical services provided in the outpatient treatment bases, as well as the Index of adult and child conditions for which the physical and rehabilitation medicine services can be provided in the outpatient treatment bases were reviewed. Moreover, new services were included in the services package for dental medicine; the fees for dental services were increased, and the compensation percentages of, as well as the frequency at which some dental services can be provided were reviewed. Two new medical laboratory tests that can be recommended by the family physicians to adult patients regardless of age within the preventive medical services that pose risk factors for diabetes were included in the Index of paraclinical investigations - laboratory tests. As from 1 July 2022, through the provisions of the MS/CNAS Order No 1617/365/2022, the fees for the emergency consultations at home and the unassisted medical transport services were increased, and as from 1 November 2022, by the provisions of the MS/CNAS Order No 3335/868/2022, new medical devices were included in the basic package for medical devices for the recovery of some organic or functional disorders.

Access of the **insured individuals to the paraclinical investigations performed on an outpatient basis** has continued. These medical investigations are necessary for the monitoring of patients diagnosed with COVID-19, as well as of patients diagnosed with oncological, diabetes, rare, cardiovascular, cerebrovascular and neurological disorders and diseases.

To provide safe and quality medical services for patients, the projects *Strengthening the institutional capacity for the coordinated national development of the palliative care and the home care (SIPOCA 733)* and *Development and introduction of systems and standards in the MS to streamlining the decision-making on vaccination in Romania (SIPOCA 708)* are under implementation. Under the SIPOCA 733 project, contracts were concluded with the eight pilot-centres, and studies were carried out for the scrutiny of the international funding models for the palliative care in different care settings, as well as with regard to the need for long-term care at home. It is also expected that a National Programme for the gradual development of palliative care in health care facilities provided with beds, in the home care and in outpatient care, and a National Programme for the gradual development of the home care will be developed within this project.

As part of the SIPOCA 708 project, the National Vaccination Strategy was developed, vaccine transport services were purchased and the public procurement procedure for equipping of the HUBs with cold rooms is to be completed, thus ensuring the end-to-end supply cold chain for vaccination of the population. Moreover, the public procurement procedure for the information campaigns on the need for vaccination and its importance is to be completed.

In 2022, in order to improve the efficiency and financial sustainability of the health system, **the share of expenses for outpatient medical services** in total expenses with materials and services of a medical nature was 19.33%, of which the highest share (i.e. 8.85%) being granted to primary health care.

In the timeframe 2020-2022, seven updates of the medicines index were made, and 185 new international common denominations to various diseases were included for reimbursement purposes, while the project Improving quality and performance of hospital services through cost assessment and standardization (SIPOCA 724) is under implementation.

In order to extend the mandate of the ONAC for the **centralized public procurement of medical products**, a technical working party was set up for the entities within the National System of Emergency Medical Assistance and Qualified First Aid, encompassing representatives of MS, MAI - the Department for Emergency Situations, and ONAC in order to discuss the legal steps required for the approval of the amendment to the legislative framework for the ONAC authorization. The Romanian Government is planning to achieve savings in the health sector by intending to extend the ONAC's mandate for the centralized public procurement of medical products.

Digitalisation of the health system has continued, with the MS drafting a GD on telemedicine in 2022. Under the COP, two project applications were submitted by MS to strengthen the integrated IT system in the field of e-health (including telemedicine). Thus, the implementation of the project *Information System for Health Records - RegInterMed* started in January 2021, and the implementation of the second project, *IT System for Clinical Records of Anaesthesia Intensive Care Units (EAU)*, started in May 2021, both projects being currently in an early stage of implementation. Moreover, the project *Integrated Management System in the Social Health Insurance System (SIPOCA 729)*, financed through ACOP, is implemented by the National Health Insurance Fund (CNAS). In 2022, the public procurement procedures were carried out and the

service contracts for the implementation of all project activities were concluded. Moreover, in 2022 CNAS was awarded a grant for the development of the ePrescription system at national level; this project is being implemented as from 2023 and will allow the issuance of any medical prescription prescribed in any other EU MS.

In order to **contain the effects caused by the COVID-19 pandemic on the health system**, the vaccination against COVID-19 continued throughout 2022, with a total of 8,140,468 people having received a first dose by 1 January 2023.

As from July 2022, the vaccination against COVID-19 was included in the *National Vaccination Programme*, being recommended through family physicians to the entire population, but especially to groups of people at risk. As from November 2022, the vaccination against COVID-19 with the new *Comirnaty Original/Omicron* vaccine has started, this vaccine being recommended as a booster for those who already have undergone a complete vaccination scheme. By 1 January 2023, 5,457 doses were administered. To facilitate the population's access to vaccination with the new product, 70 vaccination centres were made available (within hospitals or county public health departments). The list is available online at <https://insp.gov.ro/lista-nationala-centre-vaccinare-covid-19>

The Romanian institutions/authorities involved in combating the pandemic continued to be supported through EU funding, December 2023 being the deadline for the completion of measures financed by the LIOP 2014-2020, PA10 - Protecting the health of the population in the context of the health crisis triggered by the COVID-19 virus, increasing energy efficiency and the use of the renewable energy sources for health and energy sectors, for the Specific Objective 10.1 targeting the protection of the health of the population to mitigate the effects of the crisis and its social consequences.

CSR.2020.2

CSR.2020.2 Subpart 1: Provide adequate income replacement and ...

Measures

Romania pursued the implementation of measures aiming at subsidising the business environment, employees and other income earning categories during the business decreasing or the temporary interruption of the individual employment contract or activity, both in response to the pandemic and the current Ukrainian crisis, as follows:

- (1) Granting the temporary layoff to employees whose employers temporarily suspend their individual employment contract in the context of the current crisis in Ukraine, the Russian Federation and Belarus (GEO No 36/2022 no longer implemented since 31 December 2022) - 371 beneficiaries on 31 December 2022.
- (2) Payment of an incentive amounting to 75% of the basic salary equivalent to the hours reduced from the working time, in the case of a reduction not more than 80% of the daily, monthly or weekly working time during the alert state and other three months after its termination, and between 8 June - 31 December 2022, as well

(Kurzarbeit, GEO No 132/2020) - 39,417 beneficiaries on 31 December 2022.

(3) Supporting some professionals whose activity was reduced caused by the pandemic (people who get an income from copyright and related rights, lawyers, co-operators, other professionals) - 23,854 beneficiaries (GEO No 132/2020); in 2022 the average number of beneficiaries of support measures was 12 beneficiaries according to GEO No 30/2020, 1,154 beneficiaries according to GEO No 111/2021, and 1,874 beneficiaries according to GEO No 2/2022.

(4) Supporting employees whose earning incomes are equal to the minimum gross salary - the voluntary increase of the salary by the employers without taxing and including the amount of 200 lei/month in the calculation of the mandatory social contributions. The facility was included in the Government Programme "Support for Romania" and granted temporarily in the period 1 June - 31 December 2022. According to GEO No 168/2022, the measure implementation is prolonged. **As of January 2023, the amount of 200 lei/month, an income from wages and related salaries, has been not taxed and not included in the calculation of mandatory social contributions.** The measure is intended to full-time employees with individual contracts, for the basic job, when: a) the monthly gross basic salary, without growths and other supplements, is equal to the minimum gross salary, and b) the gross income from wages and related salaries, in accordance with the employment contract, for the same month, does not exceed 4,000 lei, inclusively.

(5) Supporting employees in agri-food and construction sectors - by 31 December 2028, the minimum gross salary in the agri-food sector will be 3,000 lei per month, including several tax exemptions for salaries that apply for the salary range of 3,000 lei gross. Between 1 January 2023 and 31 December 2028, for the construction sector, the minimum gross basic salary per country guaranteed for payment will be at least 4,000 lei per month.

CSR.2020.2 Subpart 2: ... extend social protection measures and...

Measures

The following social protection measures described have been unfolded:

(1) **Revising the system of granting personal deductions in the case of taxpayers whose earnings from salaries are up to 2,000 lei over the gross minimum basic salary;** Granting additional deductions to people younger than 26 years old whose salary is up to 2,000 lei over the gross minimum basic salary, and to people / parents with dependent children enrolled in the education system.

(2) **As of 1 March 2022, the value of the unemployment benefit increased due to the updating with the average annual inflation rate from the previous year of the reference social index (RSI) - 525.5 lei.** As of 3 October 2022, in accordance with the Law No 273/2022, for people with a contributory period of at least one year, the amount of the unemployment benefit is equal to RSI value in force on the date of its establishment (by increasing the percentage from 75% to 100% of RSI value). RSI is used both to calculate the amount of unemployment allowance and the level of aid of active measures, as well as to calculate the amount of some social assistance benefits. As of 1 March 1 2023, RSI increased from 525.5 lei to 598.09 lei, depending on the average annual inflation rate calculated by INS in 2022. By increasing RSI value,

there were also **changes of the amounts of social assistance benefits** calculated relative to it, namely social aid, family support allowance, social benefits for disabled people, the minimum amount of child-rearing allowance, habituation allowance (adoption), monthly fostering allowance, refugee aid, etc.

(3) Granting the paternity leave and the related allowance to all fathers who are workers and concluded an employment contract or a working agreement according to the law, and are not insured by the public social insurance system; the provisions apply to persons employed by individual working agreements, sports activity contracts, mandate contracts, managing contracts in accordance with the Law No 66/1993, to persons holding a public appointment, and to persons with managing and administrative contracts according to the Law No 95/2006; the duration of the paternity leave has been prolonged to 10 working days, and in the case of fathers who have completed the childcare training, the duration has been prolonged by other five days for each child.

(4) Increasing the child state allowance - as of January 2023, the amount of child allowance is 631 lei, for children aged 0-2 years/respectively, up to 18 years, in the case of a child with a disability, and 256 lei for a child aged 2-18 years, and for young people who are 18 years old who are enrolled in higher education or vocational education system established in accordance with the law, until their graduation. In the period January - December 2022, the average monthly number of beneficiaries was 3,597,888 children, out of whom 318,180 children under the age of two, with or without disabilities; 5,319 children aged 2-3 years, with disabilities; 3,127,323 children aged 2-18 years, without a disability, as well as young people over the age of 18; 71,282 children aged 3-18 years, with disabilities, 75,784 young people aged over 18 years.

(5) Increasing the fostering allowance for children in the special protection system - as of March 2023, the amounts has been 1,081 lei/month for the child without disabilities and 1,622 lei/month for the child with disabilities; in addition to the monthly fostering allowance, the person or family who takes a child in foster care or has been designated or appointed the legal guardian of a child receives a **monthly support allowance of 0.8 RSI (i.e. 479 lei), in the period they ensure the child care and rise; updating the cost standards of social services which the State provides for raising and caring children in the special protection system.**

(6) Strengthening the protection and promotion of children's rights - the Law No 191/2022 regulates the extended and substitute family, as well as residential services; on leaving the special protection system, young people get an allowance, granted only once, amounting to the three times the value of the minimum gross salary; young people who benefited by a special protection measure and reached the age of 18 years were entitled to maintain this measure or to get a monthly allowance of 4.8 RSI (i.e. 2,871 lei); young people younger than 26 years old benefit by this allowance provided that they attend the full-time education system or they have a job; on leaving the special protection system, an allowance equal to the minimum gross salary is granted only once to children for whom the foster care has been established or to those for whom a final decision approving the adoption has been issued, as well as to mothers protected in maternity centres. Moreover, the law bans the placement in a residential type service of children who have not reached the age of 7, the only special protection measures are the placement with the extended or substitute family or with a foster carer. An exception is made in the case of children aged 3-7 years, for whom the enablement/ rehabilitation in other type of services is unlikely to be provided, if they have both complete functional disability/ impairment, and activity limitations and complete participation restrictions. The initiative is part of the reform of the

protection and promotion of children's rights, which led to the closure of traditional foster care centres.

Note: For additional information please refer to CSR.2020.2 Subcomponent 3

(7) **Granting a compensatory indemnity to disabled people** - according to GEO No 168/2022, the allowance has been also granted in January 2023. Its value has been 368 lei for an adult with a severe disability - 311,717 beneficiaries; 279 lei for an adult with an accentuated disability - 385,420 beneficiaries; 64 lei for an adult with a moderate disability - 67,447 beneficiaries; 316 lei for the severely disabled child - 45,704 beneficiaries; 184 lei for the child with an accentuated disability - 9,908 beneficiaries; 64 lei for the child with a moderate disability - 16,199 beneficiaries.

(8) **Reducing the risk of social exclusion of a vulnerable category of retirees** - in January 2022, the retirees of the public pension system with pensions less than or equal to 1,600 lei were granted a financial aid, so that they benefited by an income of 2,200 lei; in July 2022, the retirees of the public pension system and pensioners of sectoral pension houses whose income was less than or equal to 2,000 lei were granted a financial aid amounting to 700 lei; in 2023, the retirees of the public pension system and the public military retirement system, as well as the beneficiaries of pension rights provided by special laws and paid by territorial/sectoral pension houses with monthly incomes less than or equal to 3,000 lei have been granted a financial aid paid by two instalments, in January and October respectively.

(9) The Fund for European Aid to the Most Deprived (FEAD) supported the **assistance delivered to disadvantaged people**, providing food aid to 8,979,114 beneficiaries and basic material assistance to 1,125,168 beneficiaries. **Payment of social vouchers** is supported by FEAD and ESF and targets disadvantaged people at risk of material deprivation in order to purchase food products and hot meals. About 2.5 million people are supported, the beneficiaries receiving 250 lei every two months.

(10) **Granting material aid (FEAD) to mothers with the most disadvantaged social and economic background** who have given birth since 2022; in the first three months after the child birth, an amount of 2,000 lei is paid and the aid consists of a new-born kit and assistive measures to alleviate the social exclusion.

(11) **Government Programme "FamilyStart"** facilitates the access to financing of young people aged 18-45 years, by guaranteeing a credit line up to 75,000 lei to pay a minimum package of expenses when starting a family.

Note: Progress on the reform of the long-term care services for elderly, financed under NRRP, will be reported under this instrument.

Measures implemented to **provide equal opportunities** encompass:

(12) **Implementing the UN Convention on the Rights of Persons with Disabilities** by establishing the data collection and monitoring mechanism in order to substantiate and implement public policies, so that these persons benefit from equal opportunities and improve their participation in the community life; Establishing the responsibility for central and local public administration authorities to use constantly the national disability management system.

(13) MIPE designed the **Guidance on the UN Convention on the Rights of Persons with Disabilities to draft and implement programmes and projects with non-reimbursable funding allocated to Romania for the 2021-2027 period** (enabling condition). The Guidance, approved by Memorandum on 10 August 2022, aims at implementing the provisions of the UN Convention, and the policies, legislation and

accessibility standards for drafting the Partnership Agreement between Romania and the European Union and operational programmes. The Guidance supports actions and effective measures for developing and implementing projects with non-reimbursable financing, as well. The guidance is available online at: <https://mfe.gov.ro/minister/punctul-de-contact-pentru-implementarea-conventiei-privind-drepturile-persoanelor-cu-dizabilitati/>. MIPE monitors the compliance of the methodology and the evaluation and selection criteria defined by the applicant guides and drafted by the management authorities and subject to the consultation process with the enabling condition.

(14) The Law No 140/2022 on **protection measures for people with intellectual, psychological, and social disabilities** and for the amendments of some legal acts brings the legislation (Civil Code, Civil Procedural Code and certain provisions of special laws) in line with the Romanian Constitution, according to the Decision of the Constitutional Court No 601/2020 on the exception of unconstitutionality of the provisions of Article 164, paragraph (1) of the Law No 287/2009 on the Civil Code. Several legal instruments are regulated in order to cover the whole range of intellectual, psychological, and social disabilities, by establishing a support measure (assistance for concluding legal acts), and two measures concerning the proportional, gradual, time-limited and individualized restriction of the ability to exercise (legal advice and special guardianship), and a private mean of protection (mandate of protection).

CSR.2020.2 Subpart 3: ... access to essential services for all.

Measures

The following measures have been developed in order to improve access to essential services, and to face the challenges worsen by the crisis in Ukraine (evolution of energy prices):

(1) **Protection measures for the vulnerable energy consumer** (Law No 226/2021) - in the period January - December 2022, the average monthly number of beneficiaries granted aids for home heating reached 882,745 people (families and single persons), of whom: thermal energy - 32,583 beneficiaries; natural gas - 86,974 beneficiaries; solid and/or oil fuels - 756,730 beneficiaries; electricity - 6,458 beneficiaries; In order to cover a part of the household energy consumption throughout the year, the energy supplement was granted to families and single persons, of whom: thermal energy - 27,575 beneficiaries; natural gas - 95,484 beneficiaries; solid and/or oil fuel - 636,193 beneficiaries and electricity - 179,358 beneficiaries.

(2) **The Support scheme for household consumers** - according to GEO No 118/2021, Ministry of Labour (MMSS) compensated the electricity and natural gas consumption bills as follows: electricity - 7,633,993 CRC (Connection Residential Code) and for natural gas - 2,992,556 CRC; according to GEO No 27/2022, MMSS compensated amounts to capping electricity prices - 7,004,461 CRC, and natural gas prices - 3,059,094 CRC.

In order to ensure an equal and non-discriminatory treatment for two categories of household consumers - owners and tenants - who have the right to benefit by a capped price of electricity, certain elements of the support scheme (GEO No 192/2022) were reconsidered for the electricity consumption measured between

1 January 2023 and 31 March 2025. Some vulnerable categories of household customers benefit by the price capping: **people who use medical devices, appliances or equipment powered by the electrical network and necessary to give medical treatments; household customers who take care of at least three dependent children younger than 18 years old or 26 years old if the adult child attends the education system; single-parent families who take care of at least one dependent child younger than 18 years old or 26 years old if the adult child attends the education system.**

(3) **Granting the energy voucher to vulnerable people (a financial aid amounting to 1,400 lei financed under 2014-2020 HCOP and 2014-2020 ROP) to compensate for the energy prices (GEO No 166/2022) to be paid by 31 December 2023;** The energy voucher is paid to the connection residence / vulnerable household by two instalments every six months, 700 lei disbursed in February 2023 and 700 lei in September 2023, respectively. The temporary measure targets the retirees of the public pension system, the retirees of sectoral pension houses and the beneficiaries of pension rights granted by special laws who are no younger than 60 years old, and retirees whose monthly income is less than or equal to 2,000 lei, as well as retirees with a disability pension, regardless of their age and whose monthly income is less than or equal to 2,000 lei; persons - children and adults - with severe, accentuated or moderate disability, whose own monthly income is less than or equal to 2,000 lei; families obtaining the family support allowance; single persons and families benefiting from the guaranteed minimum income. HCOP will be amended in order to implement the provisions of GEO No 166/2022, and a new Priority Axis - 10 will be designed. A call for proposals will be launched based on the payment mechanism in accordance with the standard scale for unit costs and the EU Regulation No 1303/2013.

(4) Temporary interventions to **establish the mechanism of centralized purchase of electricity**, so that the prices paid by final customers do not worsen the level of energy poverty and do not lead to a standstill of economic activities.

(5) Social protection measures were adopted by **capping the final invoiced prices for certain assortments of wood materials and wood-derived products.**

(6) Programmes for building social housing

Programme for social and emergency housing (starting in 2023, according to Law No 45/2022, the programme is multiannual and implemented over four fiscal years, with an allocation of 750 million lei of committed credit and 160 million lei of budgeting loan) - 91 investment objectives financed in 2022 for 4,190 housing units; 72 investment objectives amounting to 3,264 housing units transferred to 2023 - 2026 period in order to finalize the building, these are limited by the committed credits approved by Order of Ministry of Local Development and Public Administration No 479/2023.

Housing programme for rental for young people - 66 investment objectives for 2,076 housing units are under construction on 1 January 2023.

(7) **Improving the population access to essential services, the construction of water supply and sewerage networks (NPLD - Stage II 2017-2024)** - around 4,500 km of water supply network and 3,500 km of sewerage network were built.

(8) Access of population, especially from remote areas and underdeveloped communities, to essential services at quality and safety standards - **Anghel Saligny Programme** (funded by the State Budget) supports the development of basic water supply infrastructure and water treatment plants, sewage and wastewater treatment plants, roads / access to roads and extension / connection to natural gas systems. For

water supply, sewerage, roads and bridges, a finance totalling over 51 billion Lei was allocated for 4,680 investment objectives in 3,140 territorial administrative divisions (3,099 municipalities, cities and villages in 41 counties). Out of these, 1,677 objectives, with a total value of about 21.1 billion lei, finance water supply and sewage systems, other 3,003 investment objectives, with a total value of 30 billion lei, finance roads and bridges. In 2022, 258 contracts amounting to 2.66 billion lei were signed.

(9) Building, modernizing and expanding all types of basic infrastructure in rural areas (financed under EAFRD) - construction / modernization of 317 kindergartens / nurseries and upper secondary agricultural educational institutions; construction/ extension/ modernization of 5,880 km of water/ wastewater networks; modernization/ construction of 4,249 km of village roads.

Note: Progress on investments funded by NRRP and aimed at increasing the population access to essential services will be reported under this instrument.

Note: Other investments such as energy efficiency of centralized supply, transport, and distribution systems, the introduction of smart systems in the energy sector, improving the energy performance of residential buildings, photovoltaic systems for remote households, water supply, and wastewater treatment infrastructure, sewerage will improve the population access to essential services (for additional information please refer to CSR.2020.3)

The following measures have been implemented in order to improve the access to social services:

(1) Strengthening the public network of community-based social assistance - 515 people within the social assistance sector participated in programmes of good practice exchange, and 357 territorial administrative divisions were supported for licensing their social services (out of which in 66 TADs a social assistance expert was employed).

(2) Integrated delivery of social, medical and educational services - by November 2022, 468 specialists of the integrated intervention community teams were recruited (of whom 47 social assistants, 73 social workers, 141 community nurses, 28 medical mediators, 95 school counsellors, and 84 school mediators). The experts work within integrated community-based services (ICS) in 125 rural and small-urban communities with above average and severe marginalization. Moreover, 108 tools/ procedures/ mechanisms validated and used to deliver ICS, out of which 66 for social assistance, 16 for community healthcare, and 26 for education. Additionally, 101 social workers participated in training courses related to the social assistance tools. Community-based services were delivered in 106 territorial administrative divisions with at least one social expert employed (social assistant or social worker).

(3) Poverty reduction and social and economic integration of people from marginalized communities, including those with Roma population (funded by 2014-2020 ESF) - 80,008 people from vulnerable groups received integrated services, 467 services rendered operational, and 203 marginalized communities with Roma population assisted. Moreover, people at risk of poverty or social exclusion from marginalized communities were supported, of whom 41,403 people from rural areas and 29,105 Roma people.

Note: Progress on investments funded by NRRP and dedicated to the development of marginalized communities will be reported under this instrument.

(4) Local Development, Poverty Reduction and Increasing Roma Inclusion

Programme funded by 2014-2021 EEA and Norwegian Grants (81 million euro) aims at strengthening the social and economic cohesion at national and local level, improving Roma people inclusion and empowerment, social inclusion of children and young people at risk, increasing the use of social services by disadvantaged groups, improving the know-how of central and local governments to implement the principles of good governance and increasing the implementation of the recommendations issued by the European Court of Human Rights for Romania - 108 projects contracted / the implementation is ongoing, and 17 projects concluded.

(5) National Support Programme for Children “Caring of Children” - the assessment and intervention mechanisms to ensure their mental health during the pandemic and post-pandemic were developed. As of 5 January 2022, through this programme, in order to report risks, abuse, neglect or different forms of exploitation of children, the helpline 119 has been established and rendered operational for the first time at national level (<https://dingrijapentrucoopii.gov.ro>) - more than 90,000 phone calls recorded; the real-time alert mechanism for missing children - RoALERT - MISSING CHILD - was implemented; hearing rooms for children victims of crimes rendered operational in 19 counties; around 1,000 police officers were trained concerning violence and abuse against children; an integrated IT system analysing and identifying images and videos of abusive contents against children was developed.

(6) Implementation of Law No 273/2004 on the adoption procedure and the monitoring of the adoption process and the case management are in progress. By 31 December 2022, 1,527 adoptions with final decisions were registered in the National Registry for Adoptions.

(7) Development of the foster care network (financed by 2014-2020 ESF) - the activities of recruiting, evaluating, certifying and hiring the foster parents are in progress, so that the total number of the new employees reached 3,372 foster parents who took care of 6,275 children, of whom 777 disabled children, by late December 2022.

(8) Romania launched the PRIMERO application in order to facilitate the identification and registration of Ukrainian children accompanied by their parents or other persons appointed by them to take care of children during their hosting in Romania. The application is managed by the National Authority for Protection of Child Rights and Adoption (ANPDCA). By the end of 2022, 15,480 Ukrainian children were registered in the application, of whom 4,463 children aged 0-5 years, 8,102 children aged 6-13 years and 2,915 children aged 14-17 years.

(9) Facilitating the labour market insertion of disabled people - funds allocated for purchasing assistive technologies by disabled people; by the end of December 2022, 2,243 vouchers were issued; 4,505 disabled people were included in the target group and benefited by professional guidance and counselling services, employment mediation or vocational training; 700 people were employed.

(10) Deinstitutionalizing disabled adults and ensuring the transition of young disabled people from the special child protection system to the protection system for disabled adults - the restructuring the centres for disabled people is in progress, and the implementation timeline of the programmes has been prolonged to the end of 2023. By late 2022, 32 plans for restructuring the public residential centres with an accommodation capacity of more than 50 persons have been implemented, out of the 70 plans under implementation.

(11) Establishing social services such as day care centres, respite centres / crisis centres and sheltered housing in order to deinstitutionalise the disabled persons accommodated in old institutions and to prevent the institutionalization of

disabled persons from the community - during 2019-2022, 54 non-reimbursable financing agreements were concluded; In 2022, one project was completed and 6 financing agreements were ended; As for the eighth session of the national interest programme, the selection of beneficiaries (General Directorate of Social Assistance and Child Protection) was completed; By late 2022, 47 financing agreements were under implementation.

Establishing social services in order to ensure the transition of young disabled people from the special child protection system to the protection system of disabled adults - in the period 2019 - 2022, 16 non-reimbursable financing agreements were signed; In 2022, five funding agreements were ended. The projects were financed by the State Budget and implemented by the National Authority for Protection of Rights of Disabled Persons (ANPDPD).

(12) As of 1 October 2022, the operation of foster care centres for children has been banned, except for those for which the financing contracts have been in progress under closure projects and whose implementation has been completed after this date (Law No 191/2022). In 2022, 34 placement centres for children temporarily or permanently separated from their families were closed. As of 31 December 2022, 64 foster care centres accommodating 1,753 children have been under the closing procedure. The closure of these foster care centres is financed through: ROP projects - 30 foster care centres; own resources and the support of non-governmental organizations - 18 foster care centres; own resources - 16 foster care centres.

(13) **Deinstitutionalizing children and establishing social services such as day care centres and sheltered housing for disabled people** (projects financed under ERDF through 2014-2020 ROP): for disabled people - 26 project applications submitted, out of which 18 projects contracted (with an eligible value of 12,692,822 euro); for children - 92 project applications submitted, out of which 56 projects contracted (with an eligible value of 49,683,437 euro).

(14) **Developing social services for the elderly** (GD No 435/2022) - in 2022, under the National Interest Programmes financed from the State Budget, several applications (amounting to 36,385,395 lei) submitted by public and private providers were approved; 31 social services for 1,650 old people would be developed.

(15) **Improving the system of social assistance for elderly** - ensuring the funds of the long-term home care and the day and residential centres, so that the contribution from the State Budget is at least 10% of the minimum cost standard, as well as the priority given to the development of the community-based care (Law No 355/2022).

(16) In 2022, financial applications amounting to 33,578,757 lei were approved to public and private service providers for 97 residential centres; Subsidies amounting to 24,574,831 lei were approved to an average number of 11,290 beneficiaries (Law No 34/1998).

(17) **Updating the cost standards of social services** granted by State to rise and care of children in the special protection system, and services dedicated to disabled adults, to elderlies and those for preventing and fighting the domestic violence.

(18) **Improving the minimum quality standards of the accreditation of social services** for elderly, homeless people, post - institutionalized young people and other categories of vulnerable adults, as well as services provided in the community, and services provided in the integrated system and social canteens (Order of Minister of Labour and Social Solidarity No 1427/2022).

Note: Progress on investments whose objective is to improve the population's access to social services and continue the deinstitutionalization process, financed through

the NRRP, will be reported under this instrument.

CSR.2020.2 Subpart 4: Mitigate the employment impact of the crisis by developing flexible working arrangements and activation measures.

Measures

(1) **2022 National Employment Programme** - in the period 1 January - 31 December 2022, the programme supported the access to the labour market of 215,948 people, of whom 68,899 profiled as “hard to employ” and 24,477 “very hard to employ”; by gender structure, out of the employed persons, 102,598 persons were women and 113,350 were men; by the place of residence, 114,510 persons were from urban areas and 101,438 from rural areas.

(2) **Integration of jobseekers and inactive people into the labour market** (ESF funding) - the intervention implementation is in progress, having as objectives to improve the skill level, stimulate mobility and subsidize jobs for inactive people or unemployed; 160,273 people were supported.

(3) Measures that create employment opportunities accompany the reconversion of regions influenced by the transition to a climate-neutral economy. Therefore, nine contracts amounting to 3.5 million euro were concluded and implemented through a call for proposals HCOP/761 Improving the level of professional skills related to the labour market needs and increasing the employment rate of the unemployed and inactive people in the Jiu Valley.

(4) Stimulating the employment of people who lost their jobs or were unable to find employment and who were at risk of social exclusion caused by the loss of their income - ESF funded interventions for 37,642 beneficiaries and 11,562 enterprises.

(5) **Improvement of the labour market participation of young NEETs** (ESF) - 3,783 unemployed young NEETs aged 16-29 years benefit from measures to return to education by second chance programmes; 61,731 unemployed young NEETs aged 16-29 years benefit from support

(6) **Diversification of local economy in rural area** - investments financed by EAFRD lead to the creation of 5,775 new jobs through measures aiming at establishing non-agricultural businesses in rural areas and developing non-agricultural businesses by the current enterprises/farms. The funds allocated for setting up young farmers supported 13,977 young farmers, and those for developing small farms financed 33,594 small farms;

(7) **Development of social entrepreneurship, including in the ITI Danube Delta area** will allow new employment opportunities and facilitate the vocational integration in social enterprises for inactive people in rural areas. Therefore, eleven contracts amounting to 29.6 million euro were concluded and implemented through the call for proposals HCOP/879 - Support for the establishment of social enterprises in rural areas.

Measures

The elaboration of the National Framework for the Digitalisation of Education, in line with the strategic field Digitalisation from the Educated Romania Project started by preparing the set of digital skills for students and teachers. By Order of Minister for Education (OMEd) No 5765/2020 general digital skills for students were provisioned in school curriculum. The Framework for the Digital Competence of Educators - DigCompEdu was approved by the OMEd No 4150/2022.

The Digitalisation Chapter, within the Educated Romania Project, provides for five strategic objectives: (1) development of the digital skills of pupils and students; (2) initial and continuous training of teachers for digital education; (3) development of digital skills of auxiliary teaching and non-teaching staff; (4) development of a digital education and training ecosystem to close gaps; (5) providing programmes for cyber security, data protection, online safety and IT ethics. The Framework for the Digital Competence of Educators, the Methodology on the continuous training of the staff in pre-university education by including the digital skills in the initial and the continuous training, The Framework-Methodology for organizing the psycho-pedagogical training programme to certify the skills for the teaching profession as well as the amendment of The Lesson Observation Form were approved/ updated by a set of ministerial orders approved in June 2022.

At the end of the 2021-2022 school year, a digital method was tested in order to assess the level of students' skills for the school subjects Romanian Language, Mathematics and History, based on the Item Response Theory psychometric paradigm. Almost 150,000 students from 329 educational establishments participated in this pilot program, and 280,237 tests were applied.

Through the project Standardization and unitary assessment for the pre-university education system - STANDEV, amounting to 57.84 million lei, under implementation between June 2022 and December 2023, school curricula related learning and evaluation standards will be developed, in order to ensure a unitary assessment, both for current and summative assessments, as well as for national school exams and competitions. Thus, in the framework of the Educated Romania Project, a coherent and reliable, digitally-based national standard system will be developed.

Throughout the 2021-2022 school year, curriculum and school governance models tailored to new European recommendations, community needs and available resources were tested in six schools. In the 2022-2023 school year, the pilot testing of the new models continues in 28 schools across the country, and additional 60 pilot-schools will be financed in the next years through the NRRP.

In the context of the implementation of the Professionalization of the teaching career - PROF project, the reform of the professional training system for the teaching career continues, including its digital component. By OMEd No 4800/2022 school curricula were approved as school-based curriculum (at high school level), for testing the school curriculum Digital education and media skills. Moreover, by running the three training programmes within the CRED project (Curricular Qualification, Digital educational resources: development, use, evaluation, and Management of the effective implementation of the national curriculum) 52,723 teachers were trained and 4,833 Open Educational Resources (OERs) have been validated and published so far.

A series of measures are being implemented to anticipate the labour market needs in

terms of skills, as well as to monitor the professional integration of graduates.

As such, there is a mechanism for anticipating VET related skills needs, which entails the review of the regional/ county/ local context in terms of demographic, economic and labour market developments and forecasts, and the responsiveness of the initial vocational training system to the needs of the labour market is substantiated by strategic planning documents developed at the regional level, through the Regional Action Plans for Education (PRAI), and at the county level, through the Local Action Plans for Education (PLAI). These plans are based on a strategic planning of training needs aiming at improving the correlation between the TVET offer and the needs of socio-economic development at the regional, respectively county (local) level in the medium term, the latest version developed of these plans targeting the 2025 time horizon.

For instance, in the case of agricultural TVET the Ministry of Agriculture and Rural Development (MADR) earmarked, starting from 2020, 35 million lei for investments necessary to modernize a number of 57 TVET high schools with a predominantly agricultural profile. Moreover, MADR also considers the development of measures targeting to: improve the quality of agricultural education, aiming at supporting the establishment of new professional specializations/ qualifications consistent with the new requirements of modern agriculture; substantiating the annual tuition figure starting from the requirements of businesses in agriculture; improving the organizational structure; training of specialized teaching staff; organizing internships according to the requirements and options of students and employers; updating school textbooks; modernizing the curriculum in the sense of increasing the duration of internships in private farms, as well as adapting them to the new requirements in agriculture.

Adaptation of the initial and continuing training offer to the requirements of the labour market continues as part of a joint initiative in the fields of education and employment.

The ReCONNECT project - Adaptation to Change - An Integrated Mechanism for Anticipation, Monitoring, Evaluation of Labour Market and Education aims to put in place three mechanisms: (1) The Integrated Mechanism for Monitoring the Insertion of Graduates from Education and VET programmes; (2) The Interconnected Mechanism for Anticipating the Need for Skills and Competences for the Labour market; and (3) The Interconnected Mechanism for Evaluating and Monitoring Public policies on Active and VET training measures, as well as an IT application and a training course. Activities were carried out to analyse the capacity of the relevant stakeholders in the field of education, professional training and the labour market to synchronize and provide real and relevant data for the development of these mechanisms; the structure, the data flow and interoperability of the integrated mechanism for anticipation, monitoring and evaluation of the labour market and education being described through a methodology developed in the project (stage completed in November 2021). In 2022, the three mechanisms aforementioned were developed. The service procurement procedure for the operationalization of the three mechanisms was completed; the service agreement with the service provider was concluded on 15 December 2022. For the operationalization of the three mechanisms, a unique system will be created to monitor and evaluate the insertion of graduates of education and professional training programmes, the qualification need, and the public policies on active measures and professional training. The project implementation period was extended until November 2023 in order to complete the contract and fully implement the three mechanisms.

Job related training programmes (ESF funding) including the acquisition of digital skills

were delivered to 20,886 employees and 11,992 SMEs were supported.

2020.CSR2.Subpart 6: ...ensure equal access to education

Measures

Important steps were taken to combat school segregation with the approval and starting the implementation of the Methodology on School Segregation Monitoring in re-university education.

All measures targeting desegregation will be carried out through the project Consolidation of management in the educational system, through the development and implementation of an effective model of local and regional governance in the pre-university education system and improving the equity of the educational system in Romania, approved in December 2021, and having MEd as beneficiary and the Romanian Presidential Administration as a partner. The project is funded by DG REFORM through the Technical Support Instrument (TSI). The specific objectives of the project include, among others: setting-up the institutional framework capable of ensuring effective educational management at local and regional level; preventing, combating and monitoring segregation in education; developing the capacity of the education system to prevent, combat and monitor segregation, and these objectives contribute to the wide spreading of equity and the training of professionals in the pre-university education system with regard to the new legal framework in place on school desegregation. The technical support requested by the project is complementary to the one provided through NRRP and the project also aims to develop a National School Desegregation Strategy and a related Action Plan. In 2022, the project was broken down into two parts: 1. TSI Desegregation - TSI Project on School Desegregation (by an agreement concluded by DG REFORM with UNICEF); 2. TSI Governance (by an agreement concluded between DG REFORM and OECD). For the desegregation component, the project launch conference was held, and the project team was assembled. Moreover, the Technical Guide for the application of the School Segregation Monitoring Methodology was developed by the TA team of the UNICEF Office in Romania, within the MEd-UNICEF Partnership, and in December 2022 the SIIR specific IT module was tested for monitoring segregation in schools. The UNICEF Office in Romania provides technical support and assistance for the reviewing of the Methodology for monitoring school segregation and for the development of the Methodology for preventing school segregation or for intervention in such cases.

TA granted to the MEd by UNICEF in the field of school desegregation includes as key strategic actions: (1) testing the monitoring school segregation methodology - activity completed; (2) development of training packages for professionals (school principals, teachers, county school inspectors and MEd staff) from the educational system with regard to the new legal and policy framework on school desegregation - activity completed; (3) conducting the training session - to be completed by the end of Q3/2023; (4) pilot testing of the restricted and extended methodology at the level of pre-university education through the SIIR module dedicated to the collection of data on school segregation at student and educational establishment levels for the aspects specified in the Monitoring School Segregation (MSS) technical support module, within limited monitoring and extended monitoring sections - the action will be completed by the end of Q3/2023.

By GD No 1604/2022 it was approved the setting up of 1,200 new school counsellor positions, i.e. a 50% increase in terms of school counsellors vacancies.

In 2022, for the mapping of the practices and approaches to the university dropout phenomenon, UEFISCDI published the study Dropout in Romanian higher education. The publication is based on research included in one of the activities of the project Quality in Higher Education: Internationalization and Databases for the Development of Romanian Education. The study proposes specific recommendations, by study level, and general recommendations on the flexibility of the university system and its focus on the real needs of the student, including the operationalization of the target assumed in the Educated Romania Project: “completion of studies by at least two thirds of those enrolled in the first academic year of study”, respectively “the reduction of university dropout from 48.65% to max. 33% of each student cohort”.

Regarding the consolidation of the social package for education, targeting pupils and students from groups facing special risks, the national social programmes have continued on a yearly basis: Support for children with special educational needs (SEN), Money for high-school, Euro 200, Professional Scholarship, School Scholarships, Programme for Romanian Schools, School supplies, National Programme for Remedial Activities, etc.

By GEO No 145/2022, the Pilot-Programme for providing food support to pre-schoolers, pupils and students (the so-called “Hot Meal” program) was extended to 450 schools, having as outcome that, in the 2022-2023 school year, pre-schoolers, pupils and students from state pre-university education will receive a free hot meal or a food package of 15 lei/ day/ beneficiary. For 2022, the amount of 147 million lei was allocated, and for 2023, an amount of 266.51 million lei was earmarked. This pilot-programme contributes to reducing school dropout and ensuring fair and non-discriminatory access to education for all pre-schoolers, pupils and students in Romania. The selection criteria of the educational establishments within this programme considered the unfavourable socioeconomic and geographical conditions, as well as the lack of financial means of many families to support their children's participation in schooling.

In addition, by GEO No 159/2022, a lump sum was proposed for commuter students, this representing a significant increase of the amount previously granted for the transport of students schooled in a locality other than the one of residence. The expenses incurred by the MEd for the transport of pre-university pupils and students amounted to 4.33 million lei in 2021, and to 58.18 million lei in 2022. With regard to the expenses for university student transportation, the amount allocated by the MEd was 24.53 million lei for 2021, the same amount being earmarked for 2022.

In the 2021-2022 school year, 65,981 children were beneficiaries of the Support for children with special educational needs (SEN).

For the 2022-2023 school year, according to the Order of Minister of Education (OMEd) No 5150/2021 on the organization and conduct of admission to high school educational establishments, separate places will be allocated to mainstreaming educational establishments, for the individual integration of students with SEN.

In the 2021-2022 school year, 22,853 students were beneficiaries of the Money for High School programme, and in the 2022-2023 school year, there have been 20,509 beneficiaries. Thus, the expenses incurred from the MEd budget in 2021 amounted to 47.21 million lei and in 2022 they amounted to 41.83 million lei.

In 2021, 2,150 pupils and students were beneficiaries of the Euro 200 programme, and the expenditures made from the MEd budget with this programme totalled 1.95 million

lei. In 2022, the expenses with this programme reached the amount of 1.75 million lei. In the 2021-2022 school year, 99,342 students benefited from professional scholarships through the Professional Scholarship programme. For the 2022-2023 school year, the amount of 128.6 million lei was earmarked.

Regarding school scholarships, in 2021, by GD No 1094/2021, a new amount for scholarships was established for the 2021-2022 school year, which is subjected to differentiation, for the first time, by scholarship category, as follows: 500 lei for the performance scholarship, 200 lei for the merit and social scholarship, and 150 lei for study grants.

The total number of pre-schoolers and primary and secondary school pupils and students, beneficiaries of the Romanian School Programme, which provides free fresh fruit and vegetables, milk and dairy products and bakery products within the limit of a daily value/pre-schooler/student, of was 1,903,851. For the 2022-2023 school year, the amount allocated to the programme has reached 562.85 million lei.

At the beginning of each school year, school stationary packages with specific supplies are allotted to each grade, being distributed through the School Supplies Programme, to stimulate school attendance. In the 2021-2022 school year, the number of beneficiary students reached 258,356. For 2021, the expenses from the MEd budget amounted to 4.46 million lei, and for 2022 to 2.69 million lei. By OMed No 3783/03.03.2023, the maximum price of the school supplies packages granted to pupils and students was approved, to the amount of 65 lei/ package/ pupil in primary education and 75 lei/ package/ student in secondary education.

In addition, the Government continues to apply the Support for Romania package, which includes measures to support students who benefit from social grants, as well as the guarantee of loans to students, through the National Student Invest Programme. Thus, by late 2022, almost 500 student loans have been granted. A legislative proposal aims to expand this programme by granting credits up to the thresholds of 75,000 lei/applicant (compared to 50,000 lei/applicant), to students up to 40 years old and giving BA, MA and PhD students the possibility to use the funds to pay for medical treatments, and for those who are parents to pay for their children's education or educational activities. Interest in this programme remains fully subsidized by MFTES.

Within the National Programme of remedial activities for students, in 2022 the payment of financing instalments for all remedial activities carried out between March and August 2021 was completed. The total value of the instalments paid in the project was 107.18 million lei.

2020.CSR3

2020.CSR3.Subpart 1: Ensure liquidity support to the economy benefiting businesses and households, particularly small and medium-sized enterprises and the self-employed.

Measures

Note: The reporting of supplementary evolutions is no longer required, as this recommendation was assessed by the European Commission as fully implemented.

Measures

MF annually monitors the way the main credit release authorities reflect the results of prioritizing significant public investment projects in their annual budget projects. The *Memorandum containing the results of the prioritization of significant public investment projects* used in the draft budget for 2023 was approved on 27 July 2022. The list of prioritized projects contains **189 significant public investment projects** (compared to 177 in 2021, 160 in 2020, and 158 in 2019), managed by eight main credit release authorities.

Regarding **public-private partnership (PPP) projects**, in the period 2020-2022, the Public Investment Management Unit within MF made the following progress:

- A *National strategy for implementing priority projects in PPP regime* is being developed, together with experts from the European PPP Expertise Centre. This strategy provides a set of criteria for selecting the projects to be implemented in PPP regime, proposes an institutional framework for approving the various stages, starting from the project inception phase, awarding contracts and monitoring throughout the operational phase. The public policy document was adjusted in 2021 and 2022, considering the need to clarify the legal and institutional frame for preparing projects in PPP regime. The strategy is expected to be adopted in 2023;
- A Technical assistance *project financed by the Reform Support Programme* is being implemented, considering the need to complete the legal framework in place (GEO No 39/2018) with guidelines/ methodologies aimed mainly at preparing PPP projects. The project entails consulting services for developing guidelines on standardized PPP contractual provisions, developing a set of tools for PPPs related to *Value for Money* concept and a training materials toolkit, and providing training sessions on PPP. The consultancy services agreement was signed on 15 December 2021, is currently under implementation, and it is expected to be completed by 15 June 2023. The project deliverables will be adopted as tertiary legislation and will lay the basis for the operational procedure used to check the alignment with international best practices and for the legal framework applicable to the main documents in PPP preparing phase (substantiation study and PPP contract).

Mature public investment projects for developing of environment infrastructure and tackling/ mitigating climate change effects

- *Integrated/ Individual Projects for the Consolidation and Extension of Integrated Waste Management Systems, Respecting the Waste Hierarchy (LIOP PA 3, SO 3.1)* - total budget 374.31 million euro for increasing the waste recycling capacity by 340,000 tonnes/ year, to reach, by the end of 2023, the LIOP target of 1,300,000 tonnes/year of waste recycling capacity; 40 non-compliant landfills were closed/ rehabilitated; 33 projects amounting to 339.13 million euro were contracted; 13 projects were completed out of the total of 33 contracted projects. Through the Technical Assistance Services Agreement for Projects - PASSA 2020-2023, signed in December 2019, EIB experts will continue to support MIPE (LIOP MA) for the implementation of 11 county waste management plans to meet the favourable condition of the waste sector.
- The *Regional State Aid Scheme for Investments, aimed at reducing the negative effects of waste on the environment and reducing the consumption of primary resources*, finances the *Programme of Waste Management, including Hazardous Waste*,

which provides economic operators who carry out recycling and waste treatment installations with a total estimated budget of 1.1 billion lei in commitment appropriations and 32 million lei in budget appropriations. These amounts will be provided through NRRP and, if necessary, the difference from the AFM budget.

- The *Programme on the Greening of Waste Affected Areas* (also known as *Clean Romania Programme*) benefited from an open call for applications from 5 April 2022 to 6 June 2022, and a budget of 27 million lei; 538 applications were submitted, of which 495 were approved for financing.
- The GO No 27/2022 approved the *Minimum Aid Scheme for the Transition to a Circular Economy*. This scheme to stimulate the fulfilment of some investments and some categories of activities financed from state budget funds, generating significant interest at the industry level. The *Applicant's Guide for the establishment of the de minimis aid scheme for the transition to the circular economy* was approved by the Minister of Economy Order No 1436 of 4 November 2022. From 19 December 2022 to 31 January 2023, an open call for applications was held during which 94 applications were submitted; the project value is 19.93 million euro. As from 1 February 2023, the evaluation of the applications submitted started, in accordance with the provisions of Chapter II.1 - Stages of evaluating the applications.
- The *Programme - Environment, Adaptation to Climate Change and Ecosystems* (RO-Environment), financed by the EEA Financial Mechanism 2014-2021 and managed by MMAP, envisages the closure of two temporary municipal landfills, following the call for proposals *Measures to Reduce Contamination with Hazardous Substances in Temporary Municipal Deposits*, dedicated to local public authorities, and carried out between March and May 2022. The budget available for this measure was increased to 11.70 million euro for the six project applications selected as a result of the call and which are currently under implementation.
- In order for Romania to comply with the provisions of *Council Directive 91/271/EEC concerning urban waste-water treatment* and *Directive No 98/83/EC on the quality of water intended for human consumption*, major investments are made in Romania for the expansion of water and wastewater networks, the construction and rehabilitation/ upgrading of treatment plants, sewerage networks and wastewater treatment plants. By late December 2021, at national level, in agglomerations larger than 2,000 equivalent inhabitants (e.i.), 2,380 sewerage networks were inventoried, out of which 1,317 were functional and 1,063 were in various stages of execution. With regard to wastewater treatment plants, in agglomerations larger than 2,000 e.i., there were in place 847 treatment plants, out of which 736 were functional and another 111 new treatment plants were completed, yet not connected or undergoing technological trials/ decommissioned. The coverage level of wastewater collection, in agglomerations larger than 2,000 e.i., corresponds to a biological load of approx. 73.9% e.i., and the coverage level with wastewater treatment plants corresponds to a biological load of approx. 73.1% e.i. The investments made between January and December 2021 for the wastewater infrastructure amounted to approx. 460 million Euro.
- Through the *Programme for Supporting the Connection of the Population with Low Incomes to the Available Water Supply and Sewerage Networks*, the increased access of the population, especially in rural areas, to the public water and sewerage service is stimulated, in accordance with the requirements of EU legislation and ensuring access to this service for all social categories. As from 1 November 2022 to 15 December 2022, benefitting from a budget of 836.64 million lei, an open call for applications was held, during which 26 applications were submitted of which 10 were

approved.

- By 31 December 2021, the investments made under LIOP SO 3.2 for the wastewater infrastructure were under implementation through 108 financing agreements, with a total eligible value of approx. 7,065 million euro, of which 19 contracts were completed; through LIOP, 9,342 km of sewerage network and 169 treatment stations are planned; by late December 2022, 1,705.46 km of sewerage network and 32 treatment plants were completed. Through the selected infrastructure projects, the inhabitants of Romania will benefit from a better water supply, in 2023, LIOP having as target the coverage of 1,836,354 people. Moreover, for 2023, in terms of wastewater treatment LIOP targets the coverage of 1,248,721 equivalent inhabitants.
- Improvement of protection systems to mitigate flood risk: in 2022, ANAR-MMAP performed 33.90 km of shore consolidations, 22.47 km of river bed improvement works, and 1.99 km of dams, with 30 localities being protected from floods. ANIF-MADR stepped in 91 complex drainage systems for the prevention and management of flood situations and carried out land improvement works, respectively drainage within 202 localities, the ANIF budget allocated to the works aforementioned amounted to 5.68 million euro;
- **Measures on mitigating flood risk: (1) with ACOP 2014-2020 funding:** (i) *Strengthening the Capacity of the Central Public Authority in the field of Water Management to implement the second and third stages of the Flood Directive - RO-FLOODS, Cycle II* - the project is being implemented within a timeframe of 48 months, i.e. between October 2019 and October 2023, having MMAP as project leader and ANAR as partner. The total value of the project is 139.996 million lei, of which 6.95 million lei from ANAR; (ii) *Strengthening the Capacity of the Central Public Authority in the field of Water Management to Implement the National Flood Risk Management Strategy in Medium and Long Term* - the project timeframe is 46 months, between February 2020 and December 2023, having MMAP as project leader, and ANAR as partner. The total budget of the project is 11.06 million lei, of which 5.25 million lei from ANAR. (2) **with LIOP funding:** (iii) *Increasing the Level of Training for a Fast and Efficient Response to Disasters of Intervention Teams* - under this Specific Objective, by December 2022, 12 project applications were submitted, with a total eligible value of 1,033 million euro, of which 11 projects were contracted with a total value of 1,008 million euro, and three projects were fully implemented. (iv) *Equipping and Related Training for ANAR with Machines and Equipment for Measuring and Monitoring the Water Management Infrastructure, and for Improving the Interventions Capacity and Preventive Actions to Secure Available Capacities* - a project sheet was developed to be promoted under LIOP grant, currently being proposed as investment in NRRP. (v) *WATMAN II project - Informational System for Integrated Water Management -Stage II - Alarm Systems, Integrated Communications and Decision Support System* - the tender procedure for awarding the TA contract will be resumed. Estimated term for awarding the technical assistance contract: second semester 2023; (vi) under PA 5 *Promoting Adaptation to Climate Change, Prevention and Risk Management*, 25 project applications were submitted with a total eligible value of 1,897 million euro to reduce the effects and damage on the population, caused by natural phenomena associated with the main risks stressed by climate change, mainly floods and coastal erosion of which 21 projects amounting to 1,834 million Euro were contracted; (vii) *Reducing Coastal Erosion Phase II (2014-2020)* - the project is under implementation under PA 5.1 - it was approved by GD No 667/2016 and has a total value of 841 million euro, of which 709 million euro are eligible and it will ensure the protection of 30.54 km of beach/cliffs. By December 2022, an amount of 739.7 million lei was spent, of which 438.7 million lei from EU funds, the lots 1-5 and 7-9 being in the implementation stage;

(viii) under the PA 5.1, the Financing agreement no 560 was signed on 19 May 2021 for the *Flood Defence of Babadag Locality, Tulcea County* project, benefiting from a 82.5 million Lei budget. In 2022, the financing agreements for the following investment objectives were also endorsed: Complex Development of the Jiu River to Protect the Municipality of Craiova against floods - amounting to 149.11 million lei; Flood Risk Reduction of Ialomita River Basin, downstream of the Pucioasa reservoir - Component I - Ialomita Upstream River Basin - amounting to 121.79 million lei, and Flood Risk Reduction of Tecuci Municipality, Galati County - amounting to 217.57 million Lei. (ix) under PA 5, SO 5.1, on 31 December 2022, the Romanian National Meteorological Administration (ANM) completed the implementation of the project *Development of the National System for Monitoring and Warning of Dangerous Weather Phenomena to Ensure the Protection of Life and Property*, SMIS code 2014+ 127994. The project implementation timeframe was from 21 December 2018 to 31 December 2022 and the total value of the project is 29.96 million lei (VAT included), of which 24.08 million lei non-refundable funds from the Cohesion Fund. (x) *Modernization of the infrastructure for monitoring and alert for severe hydro-meteorological phenomena to ensure the protection of life and property - INFRAMETEO*, SMIS Code 2014+ 152610 - this project is implemented under PA 5, SO 5.1. The contract has an implementation period of 23 months, respectively from 1 February 2021 to 31 December 2023, and the total project value is 246.06 million lei (VAT included), of which 207.57 million lei non-refundable funds from the Cohesion Fund;

- In terms of **nature protection and biodiversity conservation**, Romania stands out for a variety of protected natural areas of national, European and world interest. Thus, out of the total of 1,578 protected natural areas, ANANP directly manages 1,254, the remaining 324 being managed by other entities (by law, the Danube Delta Biosphere Reserve Administration, respectively the National Forests Administration Romsilva - RNP-Romsilva, and the County Councils, through the specially established administration bodies, in a contractual relationship with ANANP). In December 2022, ANANP had eight ongoing projects for the implementation of management plans (for Natura 2000 sites and overlapping protected natural areas of national interest) and was partner in three projects for developing the Management Plans (12 management plans) with public institutions (Babes-Bolyai University and APM Bistrita-Nasaud). At the same time, ANANP has 17 financing agreements in progress for the development of the 139 Natura 2000 sites related management plans and overlapping protected natural areas of national interest; and ANANP is partner in six projects under evaluation phase at LIOP MA, which would be developed in the context of the 69 active partnerships concluded with public and private entities by ANANP between 2019 - 2022. ANANP and GNM are partners with MMAP in the project - *Strengthening the institutional capacity to improve policies in the field of climate change and adapt to the effects of climate change* - SMIS 127579 - the project runs over 41 months, between December 2019 and May 2023, and has a total value of 17.62 million lei (stage of completion: through Addendum No 3, the extension of the project and the related activities were approved, the budget allocated to the activities was amended and the repayment schedule was changed). In the same context, it is worth mentioning the role of ANANP as a partner with the Miercurea-Ciuc Research and Development Institute for Hunting and Mountain Resources, in the project *Rehabilitation of Wetlands and Peatlands within the Centre Region*. In addition, in the timeframe 1 January 2021 - 31 December 2023 MMAP in partnership with GNM, ANPM and AFM, are implementing the *Technical Assistance Project for the Implementation of Governance Measures from the National Waste Management Plan*, financed under LIOP PA 3, SO 3.1 B Project, and amounting to 49.89 million lei (stage of completion: the development of the technical documentation corresponding to the project's activities, consulting services and technical assistance

to optimize national waste management legislation were completed).

- **In order to harmonize the forestry, agro-pastoral arrangements and urban plans with the management plans of the protected natural areas, ANANP and the specially constituted administrative structures, found in a contractual relationship with ANANP, during the reference period (Q2/2022 - Q1/2023), issued in the regulatory procedure 457 approvals of which: (i) 7 approvals for pastoral arrangements; (ii) 279 approvals for forestry arrangements; (iii) 171 approvals for general/ zonal/ detail urban plans (PUGs+PUZs+PUDs).**

- *The project Environmental Crimes' Intelligence and Investigation Protocol Based on Multiple Data Sources (EMERITUS) aims to develop and implement a protocol for the efficient investigation of environmental crimes, with leverage effect on the integration of innovative monitoring and analysis technologies (e.g. drones, satellite data, virtual sensors, geo-intelligence data, etc.) and a complementary training programme aimed at encouraging authorities applying environmental legislation (e.g. Environmental Guard and Border Police), as well as strengthening the capacity for information and investigation at national and cross-border level. This consortium agreement is based on Regulation (EU) 2021/695 of the European Parliament and of the Council of 28 April 2021 establishing Horizon Europe - the Framework Programme for Research and Innovation, laying down its rules for participation and dissemination (stage of completion: there are being established the following: (i) frequent crimes regarding waste, as well as the most complex/problematic ones ; (ii) the types of waste related crimes that raise interest (burning, throwing, illegal storage); (iii) satellite monitoring locations; and (iv) amendments are brought to the legislation in force).*

- *With regard to nature protection and biodiversity conservation, actions were financed under LIOP SO 4.1 for developing and implementing the management plans for protected areas/ action plans for species/ series of conservation measures, as well as the maintenance and restoration of degraded ecosystems and provided services. Through the selected projects, a better conservation status will be achieved for habitat areas, 48,686 ha being targeted under LIOP for 2023; and a series of measures/management plans/action plans will be developed and approved, the LIOP target for 2023 consisting in the development of 57 plans. 209 project applications were submitted, amounting to 616.74 million euro, of which 119 projects were contracted, amounting to 329.80 million euro;*

- *In 2022, an amount of 7.75 million lei was spent by the Forest Guards to carry out afforestation/ tree addition/ reforestation on 198/ 65/ 0 ha of degraded lands (totalling 63 ha). In addition, plantation maintenance works were carried out on approximately 950 ha. At the same time, RNP-Romsilva spent 0.06 million lei for maintenance works on 78.7 ha of plantations previously established and 4.4 million lei were spent for establishing 168 ha (138+30) of forest curtains to protect communication routes (national roads and highways).*

- *Two programmes are funded under SO 4.2 of LIOP, to improve the air quality assessment and monitoring infrastructure: (i) Improving the National Air Quality Assessment and Monitoring System, 139703 MySMIS Code, with a total eligible value of 14.89 million euro (under implementation) - the award procedure for the development of the National Air Quality Monitoring Network (NAMCA) being completed; (ii) Expanding and Modernizing the Air Quality Monitoring and Control Infrastructure to Increase the Accuracy of the Information and the Capacity to Respond to Pollution Episodes - the financing agreement with a total eligible value of 11.52 million euro was signed in August 2021 (under implementation - this project runs for 24 months, between 20 July - June 2023, and amounts to 56.71 million lei, of which the National*

Environmental Guard has been allocated 0.435 million lei. During the reporting period, a contract was signed for the acquisition of 46 airborne systems equipped with sensors and specific inspection and control equipment. These systems will provide timely information on various environmental impact events and become an essential tool in the daily work of environmental inspectors. Minimum technical requirements are currently being developed for the development of an online platform for managing airborne systems - A2.2).

- *Reduction of GHG and ammonia emissions in agriculture (NRDP 2014-2020)* - it aims at making investments to trigger the achievement of an adequate level of farm endowment, modern facilities for the storage and application of manure and sewage sludge, biogas facilities, machinery used in agriculture to reduce the GHG and ammonia footprint, as well as technologies to support a low carbon economy. By 22 December 2022, 547 projects were contracted, the payments made amounting to 276.23 million euro.

Note: Investments to improve flood risk protection systems and afforestation works, funded by NRRP, will be reported under this instrument.

TRANSPORT. Preparation, prioritization and acceleration of the implementation of major investment projects:

(1) In order to increase the administrative capacity for the preparation and implementation of projects, on the basis of the Memorandum of Understanding on Support for Project Implementation signed between the Government of Romania and the European Investment Bank (EIB), the Agreement on Technical Assistance Services for Projects (PASSA) is ongoing. The Technical Assistance provided to CNAIR during 2022 materialised as follows: continuous provision of technical support for the performance of service/ work contracts under optimal conditions; analysing and issuing opinions on claims made by contractors during the implementation of contracts; co-option of experts to carry out a Study for implementing the electronic road tolling for CNAIR (contract signed by BEI-PASSA in May 2022, with deadline in June 2023); the development, in collaboration with Ernest Young, of a library of deliverables provided within PASSA.

(2) The Investment Programme for the Development of Transport Infrastructure for the timeframe 2021-2030, approved by GD No 1312/2021, covers the transport infrastructure development priorities in Romania and points out the different funding sources - National Recovery and Resilience Plan (NRRP), Large Infrastructure Operational Programme (LIOP)/ Transport Programme (TP), CEF and the national budget. Improvement of the administrative capacity of the Ministry of Transport and Infrastructure (MTI) triggered an increase in terms of contracting degree, as well as the shortening of approval and adoption terms related to the financing of infrastructure objectives. In 2022, financing agreements totalling 14.053 billion euro (of which works contracts totalling 9.74 billion euro) were signed.

Under LIOP, the following progresses have been made in 2022: 79.02 km of new roads on the TEN-T network were built and the Domnesti Overpass was commissioned; upgrade works for 57 bridges/culverts/tunnels on the rail network were completed; the acquisition agreement for the purchase of 37 inter-regional electric frames for passenger rail transport was signed; modernisation works for 14 ports were carried out, etc.

Note: For further details please refer to the subchapter dedicated to the implementation of 2020.CSR.3.Subpart 4 regarding the focus of investment on the

green and digital transition, in particular on sustainable transport.

Under CEF 1, the financing focused on the development of the two European transport corridors that cross Romania: East-Mediterranean and Rhine-Danube. From the Cohesion Fund/CF (1.23 billion euro - the allocation for Romania and the general envelope), 30 projects were financed (distributed in terms of allocation as follows: railway sector - 91.38%; air sector - 1.31 %; naval sector - 5.55%; ITS - 2.58%).

As regards CEF 2, the financial allocation for Romania is of 1.09 billion euro. By late of 2022, nine project applications were approved for financing (including projects for military mobility), and other projects are under evaluation phase by the EC.

(3) Improving the legislative framework for accelerating the implementation of infrastructure projects. In March 2022, the establishment of the Single Register of Machinery and Equipment in the field of infrastructure projects of national interest was approved by GD No 342/2022. The Register will automatically generate communications in case of overlapping periods for the use of machinery, equipment and installations, representing an important first step to eliminate delays and bottlenecks in construction sites. In December 2022, the draft Law on rationalization measures for the purpose of recording progress towards the development of the trans-European transport network (TEN-T) was in public consultation on the website of MTI.

2020.CSR3.Subpart 3: ...promote private investment to foster the economic recovery...

Measures

I. In order to *ensure the access of SMEs* to financial capital with a view to overcoming the economic difficulties triggered by the crisis in Ukraine, a support mechanism in the form of state guarantees was set up.

Therefore, by GEO No 99/30 June 2022, the **state scheme aid SME INVEST PLUS and its components - SME INVEST ROMANIA, AGRO IMM INVEST, SME PROD, GARANT CONSTRUCT, INNOVATION and RURAL INVEST** were approved.

This legislative act was prepared on the basis of the *Temporary Crisis Framework for State Aid measures to support the economy following Russia's aggression against Ukraine*.

In the context of the **SME INVEST PLUS** scheme, two types of state aid are granted:

- a) *As loan guarantees*, the total guarantee ceiling that can be granted up to 31 December 2023 reached 20.25 billion lei (i.e. 4 billion euro)
- b) *As grants*, the total budget of 2.88 billion lei is earmarked through the guarantee funds mandated by the State: the National SME Guarantee and Credit Fund (FNGCMM), the Rural Credit Guarantee Fund (FGCR), and the Romanian Counter-Guarantee Fund (FRC)

The guarantee contracts related to the SMM INVEST Plus programme can be issued until 31 December 2023, and their objective consist in granting the loan guarantee facilities by the state to the SMEs and small businesses with medium market capitalization.

a) **SME INVEST ROMANIA** component aims to support SMEs and small businesses with medium market capitalization, including start-ups with the exception of activities covered by other components. Since the launch of this aid scheme in October 2022 and

until 28 February 2023, 4,934 state guarantees of roughly 5.14 billion lei were granted.

b) **SME PROD component** aims to provide liquidity and finance investments made by SMEs, including start-ups, as well as small mid-cap enterprises. Since the launch of this aid scheme in October 2022 and until 28 February 2023, 603 state guarantees of roughly 744 million lei were granted.

c) **The AGRO IMM INVEST component** aims to support SMEs and small businesses with mid cap enterprises in agriculture, fishing, aquaculture and the food sectors. From the launch of this scheme in October 2022 and until 28 February 2023, 160 state guarantees totalling roughly 195.98 million lei were granted.

d) **The RURAL INVEST component**, which aims to ensure liquidity and financing for investments achieved by the eligible beneficiaries who locate their production in rural and small urban areas. Since the launch of this scheme in October 2022 and until 28 February 2023, 1,016 state guarantees totalling roughly 914.23 million lei were granted.

e) **The GARANT CONSTRUCT component** designed for the projects on improving the energy efficiency and investments in the field of green energy and the alignment with the environmental objectives implemented by both the SMEs operating in the construction sector and TADs. The programme has two sub-components:

- *The sub-programme for supporting investment projects for SMEs in the construction sector* - from the launch of the sub-programme in October 2022 and until 28 February 2023, 809 state guarantees totalling roughly 911.26 million lei were granted;
- *The Sub-programme for supporting small-scale investment projects for TADs.* From the beginning of the programme and until 28 February 2023, one state guarantees of 9 million lei was granted.

f) **The INNOVATION component** aims to support new inventions, and the export activities of SMEs performing in the fields of trade and services, with a turnover below 1 million euro, and which operates in the exporting non-polluting industry. The total guarantee ceiling is 750 million lei (allocated only to FRC). By 28 February 2023, three state guarantees totalling 3.17 mil lei were granted.

II. *To recover the resilience capacity/strengthen the market position of SMEs in different economic sectors, affected by the crisis triggered by the pandemic and the crisis in Ukraine, a series of aid schemes were launched, providing financial support as grants from non-refundable external funds. In order to properly manage project calls for the implementation of the schemes, an online SME RECOVER grant platform was developed.*

With the aim of improving the legislative framework in place to regulate the different ways of providing support for SMEs, the following normative acts were adopted:

- *GEO No 61/16 May 2022 on some measures for granting micro-grants and grants for working capital to entities in the agri-food sector with financing from non-reimbursable external funds;*
- *GEO No 82/16 June 2022 on some measures for awarding grants from non-refundable external funds for investments for service provision capacities and re-technology, in order to recover resilience capacity;*
- *GEO No 113/15 July 2022 on some measures required for the implementation of The Fund for European Aid to the Most Deprived, the settlement of some expenses regarding the support for refugees from Ukraine, as well as awarding grants from non-refundable external funds for investments designed for the retooling SMEs.*

A series of project calls of proposals were launched, under COP 2014 - 2020, having

the following state aid schemes in progress:

1) The state aid scheme - *Support for SMEs for overcoming the economic crisis triggered by the COVID-19 pandemic* established by GEO No 130/2020 and by changing the COP, was achieved by implementing two measures: a) **Measure 1 - Microgrant with external non-refundable funds**, implemented in two sessions: in 2020 and 2021 (the value of a microgrant - 2,000 euro, with a total allocated budget of 100 million euro, and 41,785 contracts totalling 404.437 million lei being disbursed); a) **Measure 2 - Working Capital Grants to SMEs** (the total allocated budget- 1.067 billion euro, and 16,562 contracts totalling 4.318 million lei being disbursed);

2) The **IMM AGRI FOOD** state aid scheme conceived to support agri-food entities with microgrants and grants for working capital (Activity 412). As regards **Microgrants**, amounts of 5,000 euro were paid for **9,878 beneficiaries**, totalling 49.39 million euro. The budget allocated to **Measure 2 - Grants for working capital** is 250 million euro, and under this scheme 3,474 project applications were submitted and implemented of which disbursements of 1.179 billion lei were made for 3,338 contracts.

3) The State aid scheme *to support SMEs by investment grants to refurbish their technological capacity to recover their resilience* (Activity 411). In this call for projects, 1,844 project applications were submitted of which 1,600 projects were approved. Of the 448 project applications submitted for funding, 160 projects were contracted.

4) De minimis aid scheme - *Grant support for investments required for service delivery capabilities to recover their resilience* (Activity 411). 674 project applications were submitted under the call for projects. By 31 December 2022, 360 project applications were submitted, of which some are still under evaluation, 52 projects being proposed for financing, and 34 projects were contracted.

5) The State aid scheme *Grants for investments in SMEs in the fields of the food industry and construction to refurbish their technological capacity to recover their resilience* (Action 411 BIS):

- Under the call for proposals designed for *food sector* SMEs, 458 project applications were submitted, and 262 projects were contracted by 31 December 2022;
- Under the call for proposals designed for SMEs in the *construction sector*, 1,448 project applications were submitted, and 201 project applications were contracted by 31 December 2022.

III. The state aid scheme supported by state budget financing :

1) De minimis aid scheme *Support granted for the implementation of the Programme for increasing the competitiveness of industrial products* (approved by both the Order of the Minister of the Economy No 1294/2022 and No 1371/2022);

2) The state aid scheme on *awarding grants for investments for the manufacturing industry, approved by GD No 959/2022*, constitutes a multi-annual grant scheme from the state budget, benefiting from a total financing of 300 million euro.

IV. In order to support the SMEs' development, as well as the initiatives in different business environment sectors, budgetary resources were earmarked for pursuing the following programmes funded by the state budget in 2023.

1) **START-UP NATION Romania Programme** aims to foster the establishments and development of SMEs' as well as to improve their economic performance.

For the 2022 edition of the Programme, a total budget of 1.5 billion was allocated, of which: 1) *Pillar I Start-up Nation Romania* (1.3 billion lei); 2) *Pillar II Start-up Nation*

Diaspora - (200 million lei). The programme was launched on 19 July 2022 and project applications were submitted as follows: for accessing the Pillar I - 15,319 project applications totalling 2.96 billion lei; 2) for accessing Pillar II - 1,648 project applications totalling 319.6 million lei. The evaluation of applications submitted by the applicants in the programme is ongoing.

For the 2023 edition of the Programme, a budget of 2.19 billion lei is allocated (as commitment appropriations).

2) **The National Multi-annual Programme for Developing the Women entrepreneurship in SMEs sector** aims to foster the establishment and development of private economic structures managed by women for improving their economic performance. For the 2022 edition of the Programme, which was launched on 18 August 2022, a budget of 157.6 million lei was allocated. 9,520 project applications totalling 1.79 billion lei were submitted and they are currently under evaluation.

For the 2023 edition of the Programme, a budget of 2.11 billion lei is allocated (as commitment appropriations).

3) **The Multi-annual National Programme of Micro-industrialization.**

The main objective of this minimis scheme is to support investments in priority economic sectors, increasing SMEs' volume of activity and competitiveness in such sectors and promote the domestic production as well as the Made in Romania concept.

For the 2023 edition of the Programme, a budget of 85 million lei is allocated (as commitment appropriations).

4) **The Programme for Developing Trading activities of Market products and services** aims to support the economic operators, companies and cooperative societies, by increasing the level of competitiveness, creating and maintaining jobs, digitalisation of the Romanian companies active in the service and trade sectors, as well as stimulating online marketing and commerce.

For the 2023 edition of the Programme, a budget of 7.4 million lei is allocated (as commitment appropriations).

5) **The National Multi-annual Programme for Supporting Craftsmanship and Artisanship** aims to incentivise crafts and small industry in Romania

For the 2023 edition of the Programme, a budget of 140,000 lei is allocated (as commitment appropriations).

6) **The Programme for organising SMEs fair** aims at organising *The Small and Medium Enterprise Fair (TIMM)* with the aim of fostering entrepreneurial spirit.

For the 2023 edition of the Programme, a budget of 140,000 lei is allocated (as commitment appropriations).

7) **The National Multi-annual Programme for Establishment and Development of Technological and Business incubators** will support the establishment of 10 business incubators for students in universities, in collaboration with local universities and partners, which will host Romanian start-ups established by students in the fields of studies offered by universities and which will provide enterprises with various low costs services and facilities.

For the 2023 edition of the Programme, a budget of 5.35 million lei is allocated (as commitment appropriations).

8) **The Programme for Speeding up the Development of Small and Medium-sized Enterprises** aims to strengthen the SMEs sector in Romania, especially in the production

sector, by ensuring access to financing for developing sustainable production and enhancing employment opportunities.

For the **2023 edition of the Programme**, a budget of 7 million lei is allocated (as commitment appropriations).

With the aim of finding solutions for supporting the development of the companies from Romania, the project *Quality and Performance Management within the Ministry of Economy for reducing the administrative burden and developing innovative SMEs* (SIPOCA 716) is under implementation.

In order to **increase the competitiveness of SMEs** in competitive sectors mentioned in *The 2015-2020 National Competitiveness Strategy* (SNC) and the *Regional development plans*, through ROP, (P.I. 2.1 A), from the total budget of 1,056.5 million lei, **investment projects of micro-enterprises from the urban areas** are financed. Thus, by 31 December 2022, 3,009 financing agreements were signed, with an eligible value of 549 million euro.

To **support SMEs for setting-up and expanding advanced production capacities and services development**, through ROP - P.I. 2.2 A, state aid and de minimis aid are granted, and by 31 December 2022, 584 projects with an eligible value of 1.5 billion euro were contracted.

Moreover, for **providing support for investments in developing the business incubators, through ROP** (P.I. 2.1 B), by 18 March 2022, 39 financing agreements with an eligible value of 114.8 million euro were signed

A series of projects are implemented under the **Business Development, Innovation and SMEs Programme in Romania**, funded by the 2014-2021 EEA and Norway Grants (45 million Euro), which aims to support the launch of start-ups in areas such as green innovation in industry, blue growth and ICT. Thus, 60 projects are contracted/in implementation, and another 17 projects are fully implemented.

2020.CSR3.Subpart 4: Focus investment on the green and digital transition, in particular on sustainable transport, digital service infrastructure....

Measures

Digital transformation remains a key priority of the Romanian Government, the relevant public institutions carrying out for this purpose a series of reforms and investment projects, including through the NRRP.

In this process, digital transformation of the public administration, cyber security or the digitalisation of SMEs are mainly targeted. Along with the major projects carried out under the NRRP (e.g. setting up the interoperability and governmental cloud), new related initiatives have been launched and the implementation of some relevant projects aims at ensuring digitalisation of services provided by various central institutions continues.

Against this background, new responsibilities have been assigned to the Authority for the Digitalisation of Romania (ADR), which operates under the Ministry of Research, Innovation and Digitalisation (MCID), and the related legislative framework has been updated, by GD No 1606/2022.

With the aim of making use of private and academic know-how, the **National Council for Digital Transformation - CNTD** was relaunched on 29 June 2022, a constant dialogue with the ICT business environment being maintained to that end.

As a support stage for the digitalisation of local public administrations, some meetings were held (September 2022) between MCID representatives and the Association of Communes in Romania and the Association of Cities in Romania, considering that only 27% of TADs from rural areas are enrolled on the ghiseul.ro platform.

The collaboration between ADR and the OECD continues from the perspective of preparing Romania's accession to OECD, as well as within the digital component of the project **Development of Administrative capacity in the field of Public Governance** - a coordinated approach of the Romanian Government centre, implemented by the General Secretariat of the Government (SGG), in partnership with ADR, Ministry of Justice (MJ) and OECD, the financial earmarking totalling 3.02 million euro. (progress made: 65%).

Moreover, as a result of the collaboration between ADR and the Cluj-Napoca Technical University (UTCN), the **Women in Tech Initiative** was launched on 20 May 2022. In addition, this collaboration aims to develop the **Strategic Framework for the use of Artificial Intelligence (AI), as part of the project the Strategic framework for the adoption and use of innovative technologies in public administration 2021-2027 - solutions for streamlining the activity** (SIPOCA 704). For the development of this framework, both ADR and UTCN have organized so far four public consultation sessions, the last one being held on 8 December 2022. Other outputs of the project consist in the elaboration of some strategic documents, such as: the National Strategic Framework for the period 2021 - 2027 in the field of deep tech technologies; report on the structure of the operational framework for developing and sorting the clusters and hubs with focus on blockchain technologies at the national level; the National Strategic Framework and Financial instruments for Romania's participation in the European initiatives and networks. This project is observing the implementation timeframe (technical progress made: 55%).

By late December 2022, the **Transylvania Digital Innovation Hub (TDIH)** started to operate for a period of 3 years, and represents one of the 18 digital innovation hubs in Romania, which are enrolled to be part of the **Network of European Digital Innovation Hubs (EDIHs)**.

The implementation of the action guidelines laid down in the **Strategy Paper for Digital Governance and Management of public e-services in Public administration- the Public policy in e-Government** adopted on 3 June 2021 continues. The progress made by each individual institution is monitored annually, according to the strategic guidelines and objectives specified in the strategy. The **e-Government specialist** occupation was introduced in the Classification of Occupations in Romania (COR) (in May 2022) as a first stage of the implementation of the measures provided in this public policy.

With regard to the **Digital Transformation Process of the Romanian public administration** project, carried out through the Technical Support Instrument by ADR, by the end of September 2022, the first assessment of the current digital maturity of the central public institutions was launched, some elements being reviewed such as the electronic public services provided and the current level of digital skills acquired by employees. This assessment is based on two questionnaires related to: (1) the level of digital skills acquired by employees, and (2) the methods and tools used/public e-services provided for 43 institutions.

The development and completion of the **Electronic Single Contact Point** platform

(PCUe) continues (the platform is available online at: <https://edirect.e-guvernare.ro/SitePages/landingpage.aspx>), funded by state budget, with a view to ensuring compliance with the conditionalities laid down in the European and national legislation. Currently, a communication channel is set up for communicating with 2,638 institutions from the central and local public administration which are enrolled in PCUe, and with 5,228 administrative procedures of which 3,665 are fully digitalised. In 2022, 90,939 requests were filled in and solved via PCUe.

With a view to *increase the access of citizens to public services* and to reduce administrative burden, the following e-Government platforms are operational at ADR level:

a) the *National Electronic System SEN* (www.e-guvernare.ro) which provides: procedures and services to assist and solve the problems raised by the EU citizens and companies by hosting the European Single Digital Gateway Network; contact details of the main public institutions and bodies in Romania; the national register of public institutions in Romania; the interface for submitting statements to the National Agency for Fiscal Administration (ANAF); the register of accredited certification service providers issuing qualified electronic signatures;

b) the *Electronic Public Procurement System - SEAP* (www.e-licitatie.ro) in which, by 6 December 2022, 220,375 registered entities were enrolled, of which 22,046 contracting authorities and 198,735 bidders. Between 1 January 2022 - 31 December 2022, 29,161 procedures totalling over 181.4 million lei and over 2.4 million direct procurement procedures;

c) the *Electronic Award System in Transport* (www.autorizatiiauto.ro) in which, by 31 December 2022, over 1,7 million licenses were issued to transport operators;

d) the *National Tax Payment Electronic System (SNEP)* (www.ghiseul.ro) for paying the local taxes and fees using bank cards; the development of this platform is ongoing, allowing users to pay over 300 taxes, fees and public services, and more than 1,200 public institutions and bodies are registered on the platform; the number of active users has exceeded 1.5 million;

Other important online platforms available are: the National Trade Register Office online services portal (<https://portal.onrc.ro>); PatrimVen Service (<https://epatrim.anaf.ro/>), and Virtual Private Space online platform (https://www.anaf.ro/anaf/internet/ANAF/servicii_online/inreg_inrol_pf_pj_spv); the SME Recover platform (<https://granturi.imm.gov.ro/#/home>).

For *a better implementation of various digital transformation initiatives*, MCID/ADR has collaborated with a number of institutions of the central public administration, such as: the Ministry of Education, the Special Telecommunications Service (School Management Information System project); The National Sanitary Veterinary and Food Safety Authority - ANSVA (the coherent and integrated digital infrastructure); National Energy Regulatory Authority - ANRE (Online platform for changing the supplier of electricity/natural gas by the final consumer, at national level); Ministry of Investments and European Projects - MIPE (detailing the management framework of projects financed by CEF).

In *order to increase the use of e-Governance systems*, all calls for proposals were launched under the Competitiveness Operational Programme (COP); all the 17 project applications submitted were approved, of which 15 projects were contracted. Out of the 15 contracted projects, five projects have been completed and 10 projects are currently in various stages of implementation, as follows: (1) The *Technological interoperability system with the EU Member States - SITUE* which will be based on the

development of the eIDAS node for Romania and will interconnect with both the eIDAS nodes of the other EU Member States and the Romanian providers of identity and electronic services (progress made by October 2022: 57%,); (2) *The ONRC consolidated and interoperable integrated electronic system designated to e-Government services focused on life events* (progress made: 66.84 %, March 2023); (3) *Integrated Information System for the issuance of Civil Status Documents - SII EASC* (physical progress made by December 2022: 64.89%); (4) *National Management System on Disability (SNMD)* (physical progress made by October 2022: 40.22 %); the project implementation period was extended to 52 months and the budget planning was upgraded; (5) one project of the Ministry of Labour and Social Solidarity: *Services Hub MMPS - SII MMPS* (physical progress made by December 2022: 44.41%); (6) *Service hub (electronic service delivery centre) at MAI* (physical progress by December 2022: 58.08%); 2 projects at MFA: (7) *Integrated Electronic Management System for Travel Documents (ePass)* (implementation progress by December 2022: 70.37%), and (8) *Integrated system of personalized alerting and permanent updating of risk indicators for travel destinations* (implementation progress by December 2022: 61.81%); (9) the *National Electronic System for Adoption project - SINA* (implementation progress by December 2022: 55.52%); (10) the project *Centralized Software Platform for Digital Identification (PSCID)* (implementation progress by December 2022: 57%).

To **manage cyber security risks and incidents**, as well as to ensure *the security of the national civil cyberspace*, the National Directorate of Cyber Security (DNSC) is operational.

In order to strengthen the **DNSC administrative capacity in the cyber security field**, two projects are under implementation: (a) the project *Early warning and real-time information system - RO-SAT* (deadline: June 2023), and (b) the project *Integrated management system for a performing informational society (SIMSIP) - SIPOCA 391* (deadline: December 2023).

DNSC also implements the following projects:

A) With financial support from the **Connecting Europe Facility Telecom (CEF TELECOM)**:

1) *Capacity building in the line with Cybersecurity Act for the Romanian competent authorities CERT-RO and RENAR* which will contribute to strengthening the administrative capacity of DNSC and RENAR to implement EU Regulation 881/2019 (Cybersecurity Act) (deadline: 28 June 2023); 2) *Joint Threat Analysis Network - JTAN* aiming at establishing a common threat analysis network, an open collaboration group of the European CSIRTs with focus on collecting, sharing and analysing technical, operational and strategic information data on threats;

B) With financial support from the **HORIZON 2020**:

1) The project *Artificial Intelligence Threat Reporting and Incident Response System - IRIS* project aiming to develop a platform/ tool for protecting the ICT systems based on IoT (Internet of Things) and AI (Artificial Intelligence) against cyber threats and attacks; 2) *SECurity And privacy protection in the Internet of Things devices - SECANT* conceived to provide a holistic framework for assessing cybersecurity risks to improve digital security, privacy and personal data protection in complex ICT infrastructures, by using state-of-the-art technologies and methodologies; 3) the project *CITYSCAPE, City-level Cyber Secure Multimodal Transport Ecosystem* CITYSCAPE, *City-level Cyber Secure Multimodal Transport Ecosystem* having as general objective to explore all dimensions of the cyber security on multimodal transport, by introducing the innovative

risk analysis techniques.

C) With financial support from the *HORIZON EUROPE*:

1) The *DYNABIC: Dynamic business continuity of critical infrastructures on top of adaptive multi-level cybersecurity* project conceived to increase the resilience and business continuity capacity of the European critical services against advanced cyber threats;

D) With financial support from the *DIGITAL EUROPE PROGRAMME*:

1) the Romanian *Cyber Care Health (RO_CCH)* project, whose general objective consists in reducing the cyber security risks as well as increasing public awareness in terms of patient safety and trust in the Romanian health system and institutions;

e) With financial support from the *Connecting Europe Facility - CEF DIGITAL*:

1) the project *DNS-4EU and European DNS Shield* aims to implement a recurrent European infrastructure of DNS solutions, based on a federated and distributed protection DNS ecosystem. The project uses the know-how and experience of 14 partners from 10 European countries.

In order *to ensure the cyber security of ICT systems and computer networks*, the implementation of the project *Strengthening the capabilities for prevention, identification, analysis and response to cyber incidents by the Protection and Guard Service "POC_CYBER_2021"* is ongoing (physical progress by August 2022: 90%), the project *Early warning and real-time information system - RO-SAT* (physical progress by September 2022: 39.21%, having DNSC as beneficiary) continue, and the project *Strengthening the operational capacity of the Romanian Intelligence Service. Developing an advanced electronic platform for ensuring cybersecurity DPAS* has made a technical progress of 19.52% by December 2022. The project was signed on 13 September 2022. Moreover, two projects aiming at increasing the operational capacity of the Romanian Intelligence Service (SRI) were fully implemented: *Upgrading the IT system in place and including in the system new IT&C infrastructures with critical values for national security* and the *System for the protection of terminals operated by SRI against threats derived from cyberspace*.

SUSTAINABLE TRANSPORT:

DEVELOPMENT OF RAILWAY INFRASTRUCTURE. Under LIOP, rehabilitation works were completed for one railway station, 41 stations were upgraded with railway safety systems, 57 structures (26 bridges, 29 canals and two tunnels) and 167 km of railway line from Simeria to Sighisoara were modernised, and the design works for the Fetesti and Ciulnita stations (4.868 km) have started.

In Q1/2023, CFR had in progress 38 service contracts for the development of feasibility studies and technical projects (with funding from LIOP and CEF) with the objectives of modernizing/rehabilitating 2,373.9 km of railway lines, 24 railway stations, bridges, small bridges and tunnels (phase II) and the modernization of railway level crossings. Feasibility studies were underway for: the rehabilitation/modernization of railway lines for the sections in Moldova - 535 km (Ploiesti Triaj - Focsani - Roman - Iasi - border and Pascani - Darmanesti - Vicsani-border), Bucharest North - Giurgiu Nord Lot 2 (86 km), and Bucharest Nord - Henri Coanda International Airport Phase II (29 km); quick wins repair works; electrification of the lines Constanta-Mangalia (43 km), Radulesti - Giurgiu (57 km); the implementation of ERTMS on the entire Predeal - Bucharest - Constanta section (367 km); modernization of 48 railway stations; rehabilitation of 149 objectives (bridges, small bridges and tunnels) and 160 railway level crossings. In Q1/2023, technical documentations were finalised for Darmanesti - Vicsani (34km), two

railway stations and 22 bridges, small bridges and tunnels (phase II).

Under CEF, in Q1/2023, rehabilitation works were in progress for 112 km of railway on the Brasov - Sighisoara route, 12 km of railway for the reopening of traffic on the Gradistea bridge, the related works on the Bucharest North - Giurgiu North route and the project for modernizing railway infrastructure in Constanta Port - stage I, Valu lui Traian (within which 8 lines will be modernized for receiving/dispatching trains). By late 2022, the technical documentation for Craiova - Caransebes. Actions continued in order to develop documentation for the rehabilitation of the railway lines on the Predeal-Brasov, Bucharest-Craiova, Coslariu-Cluj Napoca and Apahida-Suceava sections and for the modernization of the railway lines and installations in the Bucharest Railway Complex.

STRUCTURAL REFORM OF RAIL TRANSPORT

(1) In August 2022, the project *Implementation of the National Transport Model (NTM) for rail passenger transport and the definition of the public service obligation for rail passenger transport ended* and its main results consist in the updating, restructuring and recalibration of the NTM to the base year 2019 and the generation of the Public Service Obligation (PSO) in public rail passenger transport.

(2) In December 2022 the Railway Reform Authority (ARF) signed public service contracts (PSCs) for the period December 2022 - 11 December 2032 with six railway passenger transport operators, based on PSO and according to GD No 1453/2022.

(3) The project *Integrated system, single database and provision of information regarding the ticketing system of railway passenger transport operators* financed from LIOP, will end in 2023. The main objectives of the project are as follows: the development of a database to ensure interoperability with the ticketing systems of the railway passenger transport operators (RTOs-P); computerization of the processes of collection, assembly and verification of public service data; automatic calculation of the subsidies awarded to RTOs-P; electronic issuance of the single ticket for the entire distance, regardless of the number of RTOs-P operating the trains. In Q1/2023, the last application was developed - the One Stop Shop type system for the online sale of travel permits.

(4) The large projects for the *procurement of rolling stock* are grouped according to the types of rolling stock required and the source of the approved external non-reimbursable financing. In 2023, with financing from LIOP, ARF has in execution the contract signed for the purchase of 37 inter-regional electric frames (RE-IR) and their maintenance for a period of 15 years, from the delivery of each frame. The procedure for the procurement of 62 regional electric frames RE-R is ongoing (in February 2023 the evaluation of the bids submitted in SEAP began), the project following to be financed from TP.

Note: For the purchase of rolling stock (alternative traction electric frames based on hydrogen fuel cells, new 4-axle electric locomotives with ERTMS systems and long-distance RE-IR interregional electric frames for the connection of urban centres), with financing from NRRP, reporting is carried out within this instrument.

DEVELOPMENT OF ROAD INFRASTRUCTURE. Under LIOP, by December 2022, 97 projects (out of which 43 for construction works) were contracted, with a total eligible value of 5,495.31 million euro. By the end of 2022, 79.02 km of new roads (13.17 km of highway, 39.85 km of express roads and 26 km of bypass roads) were built on the TEN-T network, the Domnesti Overpass (1.325 km of over-ground road) was opened to traffic, and other 300 km of highways and express roads were in various stages of construction. In 2022, 48 service and works agreements were signed (with external

non-reimbursable financing of approx. 24 billion lei), and projects (totalling 205.1 million lei without VAT) were launched for the development of feasibility studies necessary for the construction of approx. 500 km of modern road infrastructure.

Note: For the investments dedicated to the development of road infrastructure financed under NRRP (e.g. the construction of the A7 - Highway of Moldova), reporting is carried out within this instrument.

Within CEF 2, projects will be implemented for: the rehabilitation/ modernization/ construction of six bridges in order to adapt road infrastructure for dual use - civil and military (rehabilitation of Ovidiu Bridge - total length of 286.25 m; rehabilitation of Azuga Bridge - total length of 51.5 m; construction of the Arginesti Bridge - total length of 183.4 m; rehabilitation of Straja (Stejaru) Bridge - total length of 50.1 m; rehabilitation of Viisoara Bridge - total length of 146.2 m; design and construction of a bridge over Prut at Ungheni); the development of cross-border infrastructure (Siret RO-UKR, Ungheni RO-MD, Albita - Leuseni RO-MD, Halmeu integrated project).

In order to **stimulate regional mobility**, under ROP, by 30 December 2022, about 130 projects (with eligible value of 2.06 billion Euro) were contracted for the modernization/ rehabilitation of about 4,250 km of county roads located in the proximity of TEN-T network.

DEVELOPMENT OF METRO INFRASTRUCTURE. Under LIOP, by late 2022, the following progress was made: eight projects were contracted; 8.76 km of metro lines were built/ improved; the documentation for the purchase of 50 trains was in preparation phase. The investment priorities are related to the projects that are in implementation or in preparation: *Metro line M5 - Section 2 Eroilor-Piata Iancului* - design contract in progress with deadline in Q4/2023; *Metro line 6* (deadline: Q4/2026) - for the *South Section (1 Mai-Tokyo)*, the resistance structure execution works were contracted in March 2022, and for the *North Section (Tokyo-Otopeni)*, the tender winner was appointed, the contract for the resistance structure works following to be signed (execution period - 48 months from the issuance of the start order); *Accessibility of metro stations in operation for the visually impaired* - project is in the stage of works execution (deadline: Q3/2023).

DEVELOPMENT OF SUSTAINABLE URBAN MOBILITY. Under ROP, by 30 December 2022, both in small and medium-sized cities, as well as in county seat municipalities, 304 projects (with a total eligible value of 2.79 billion euro) were contracted for the purchase of public means of transport that can be equipped with software and equipment related to integrated passenger ticketing systems (e-tickets or e-ticketing) and ITS systems. As a result of GEO No 47/2018 on the establishment of urgent measures for the absorption of European funds, in partnership with TADs, 558 green means of transport (with a total value of approx. 2.2 billion lei) were purchased for the endowment of TADs with sustainable means of transport for providing the local public transport service.

DEVELOPMENT OF NAVAL AND INTERMODAL TRANSPORT. Under LIOP, the following progress was made: 33 projects were contracted; three locks and one non TEN-T port were rehabilitated; works for modernizing 14 ports (Constanta, Tulcea, Braila, Galati, Medgidia, Ovidiu, Giurgiu, Calafat, Turnu Magurele, Chilia Veche, Sulina - TEN-T ports, and Isaccea, Corabia, Luminita - non TEN-T ports) are ongoing; 36 km of shore defences on Sulina Channel and two intermodal terminals will be developed. As regards the Constanta Port, the development of infrastructure continues by modernizing the electricity networks and expanding the road network to four lanes, inside and outside the port. Under CEF, the following projects were financed: FAST Danube - Improving the navigation conditions on the Romanian - Bulgarian common sector of the Danube,

SWIM-SMART, Protect - Upgrade of infrastructure and environmental protection in the Port of Constanta and the feasibility study for a trimodal terminal in Drobeta-Turnu Severin Port. Also, CEF finances the project Ensuring the electrical conditions for connecting ships to the quay in the Port of Constanta (Cold Ironing regime) to interconnect to the TEN-T network for the implementation of the Ealing project, which includes investments in 10 berths.

DEVELOPMENT OF AIR INFRASTRUCTURE. Under LIOP, by the end of 2022, 47 projects were contracted, and three airports were modernized. Romania participates in the project *SESAR Deployment Programme Implementation 2019 - IOP Foundation* (financed from CEF). The investment project for the development of airport infrastructure at the International Airport Henri Coanda - Bucharest (AIHCB) is implemented with financing from the state budget and own resources of the National Company Bucharest Airports: the expropriation procedures are ongoing; Law No 205/2022 amending the Programme for the Strategic Development of the Airport Infrastructure at AIHCB was adopted. To **reduce the impact of civil aviation on the environment**, the level 2 accreditation - "reducing CO2 emissions" for Bucharest Baneasa International Airport - Aurel Vlaicu/ AIBB-AV was maintained, as well as the level 3 accreditation - "optimization" for Bucharest Otopeni International Airport - Henri Coanda/ AIHCB. In addition, the process of renewing TAROM's fleet continues, by introducing low-fuel consumption aircrafts (Boeing 737 MAX, Boeing 737 MAX 8) into operation and decommissioning old fuel consumption-inefficient aircrafts.

IMPROVING SAFETY ON ALL TRANSPORT MODES AND REDUCING THE ENVIRONMENTAL IMPACT OF TRANSPORTS. Under LIOP, 23 projects were contracted in order to: eliminate 30 road black spots and 8 conflict points; equip 22.10 km of road with environmental protection elements and 42 km with safety elements; purchase a coastal maritime traffic information and management system Ro-VTMIS; develop a mixed mobile system for monitoring road traffic related to the violations of traffic rules.

Note: For details regarding measures promoting less polluting vehicles and installing alternative fuels infrastructure, which contribute to ensuring a sustainable transport, please refer to 2022.CSR3.Subpart 1 - reducing the overall reliance on fossil fuels.

RESEARCH, DEVELOPMENT AND INNOVATION

Romania has continued to implement measures for improving the administrative capacity and the legislative framework related to the research, the development and innovation (RDI) system, as well as for the development of the RDI system (human resources, R&D infrastructures, European and international collaboration etc.), and the stimulation of public-private cooperation for innovation.

In order to ensure continuity in the financing of the national RDI system, the implementation timeframe of the National Plan for RDI 2015-2020 (NPRDI III) was extended until 30 June 2022.

In July 2022, the National Strategy for Research, Innovation and Smart Specialization 2022-2027 (NSRISS) was approved through GD No 933/2022, and in September 2022, the National Plan for RDI 2022-2027 (NPRDI IV) was approved through GD No 1188/2022. The strategic documents were elaborated within the project SIPOCA 592 Increasing the capacity of the RDI system to respond to global challenges. The project continues in order to develop the integrated IT platform required to monitor the RDI ecosystem and the NSRISS, in a view to fulfil the enable condition for the RDI field.

In Q4/2022, the implementation of the NPRDI IV started by organizing the competitive

call for projects under the Core Programme 2022-2026 which aims to increase the institutional capacity of the national R&D institutes.

STIMULATING PUBLIC-PRIVATE COOPERATION IN THE FIELD OF RDI. To stimulate enterprises demand for innovation, with financing from COP, 188 projects were implemented by innovative enterprises individually or in partnership with R&D institutes/ universities (91 projects developed by start-ups and spin-offs, 22 by newly created enterprises, and 75 innovative technological projects). By March 2023, 106 projects were fully implemented (79 projects developed by start-ups and spin-offs, and 22 by newly created enterprises, and five innovative technological projects) and payments totalling 450.6 million lei were made.

To support the creation of public-private partnerships for R&D, by 31 March 2023, with financing from COP, 33 partnership projects for knowledge transfer were finalised and 20 projects continue to be implemented, payments totalling 450.56 million lei being registered. In 2022, 484 experimental-demonstrative projects and 108 projects for transfer to the economic operator were financed through the NPRDI III. As regards the public procurement for innovation, the implementation continued for the 11 "Solutions" type projects on R&D themes that meet the specific needs found by central public authorities.

To increase the access of innovative SMEs to financing, 99 SMEs benefited from investments or loans, the payments made to the final beneficiaries amounting to 9,599,114 euro (the *Subsidized Interest Loan and Risk Sharing Instrument* having a leverage 2 multiplier effect) and 26,583,277 euro (Venture Capital Instrument - the accelerator of entrepreneurship and seed-investments).

By 30 December 2022, under ROP, 65 projects (with an eligible value of 98.2 million euro) were contracted for promoting technological transfer and increase the degree of innovation in companies and payments totalling 8.2 million euro were made. In 2022, two calls for proposals (prepared with the support of the World Bank) were launched in order to implement pilot schemes for testing/ creating/ developing the innovation market in Romania. At the end of 2022, the submitted project applications were in the evaluation and selection procedure.

DEVELOPMENT OF THE RDI SYSTEM. For the development of human resources for research, 342 projects for post-doctoral research, 369 projects for stimulating young independent research teams, 371 projects for exploratory research, and 19 complex frontier research projects were financed from the NPRDI III.

Under COP, 51 projects led by high-skilled researchers from abroad were fully implemented and, under HCOP, in order to support doctoral students and post-doctoral researchers, in April 2022, nine project applications (from eight universities) were approved to receive funding of approx. 9 million euro (ESIF and state budget) for applied research activities carried out within the partner organizations (business partners, industry, research institutes, etc.) and activities for the development of advanced research skills.

The organization of events dedicated to RDI aims at increasing the attractiveness of R&D institutes and universities and the development of a researcher's career. In 2022, the event Romania of the Future took place, during which a Demo Day - Rubik Garage 2022 Accelerator and an exhibition of the results of RDI projects implemented by researchers, national R&D institutes, start-ups and ecosystem facilitators were organized. On 31 January 2023, Romanian Research Gala took place and has as a novelty the awarding of individual researchers and research teams (by age category) for the recognition of excellence in activity and the facilitation of joint projects between Romanian researchers and researchers from abroad. On 16 March 2023, the draft GD

for the approval of the "Romanian Research Gala" Programme was launched in public debate.

In 2022, GD No 1452/2022 for the operationalization of the Programme of grants for RDI The grant for young researchers KING CAROL I was approved. The programme aims not only to reward students with outstanding results at national and international Olympiads, but to maintain them in the country: the beneficiaries of the facilities offered within the programme have the obligation, after completing their studies, to work for at least four years in establishments/institutions that are part of the Romanian R&D system. Moreover, by GD No 1432/2022, the "Henri Coanda" Programme was approved for financing the participation in international technical-scientific competitions for pupils and students, and the awarding of the results obtained in such competitions.

For the **development of R&D infrastructure**, by December 2022, out of the 45 projects for the *creation/ modernisation of R&D departments* for public/ private institutions financed from COP, 22 projects were fully implemented. In addition, 12 projects for *innovative clusters* were contracted (one project being already finalized). For the *development of networks of R&D centres*, out of the 18 projects contracted for modernising Cloud type infrastructures, six projects were fully implemented. In July 2022, the project Anelis Plus 2020 ended, providing researchers with access to 23 international scientific publications databases. Later, the project Services for access to scientific and technical literature - Anelis Plus 2022 was assigned, and in August 2022 the list of subsidized books and magazines for 2022 was published.

The **implementation/ promotion of the pan-European research infrastructures** continues as follows:

1) The *Strategic project Extreme Light Infrastructure-Nuclear Physics (ELI-NP)*: the technical parameters for the high-power laser system (HPLS) were met, and the purchasing, installation, calibration and testing of equipment for the experimental labs continued; based on a formal protocol, the research infrastructure was opened to researchers from the ELI-ERIC consortium; by December 2022, collaboration agreements (memoranda of understanding) were concluded with more than 70 institutions worldwide; in 2023, in collaboration with two European companies (from France and Germany), the high-power laser system is planned to be expanded in order to carry out research relevant to nuclear fusion, as a new source of energy for the future. By December 2022, the level of payments made has reached 543.9 million lei;

2) The *pan-European project Advanced Lead Fast Reactor European Demonstrator (ALFRED)*: until 2023, with funding from COP, stage 1 of the project for the development and supply of Athena and ChemLab experimental facilities is in implementation phase. In August 2022, the contract for the design and execution of the buildings was signed, the infrastructure being located on the Mioveni Nuclear Platform. The development of the experimental research infrastructure will continue with funding from SGDFIP through the predefined project European Infrastructure - Lead-Cooled Fast Reactor Technology Demonstrator - ALFRED;

3) The pan-European infrastructure project *International Centre of Advanced Studies for Rivers-Deltas-Seas DANUBIUS-RI*, representative for Romania's contribution to EUSDR in the RDI field: in 2022, the implementation of the support project (totalling 5 million euro, and financed from COP) has continued; the aim of the support project is to complete the necessary documentation for the development of the financing application for the large project (e.g. studies specific to large infrastructure investment projects; execution details for the Romanian components of DANUBIUS-RI; technical documentation for obtaining construction permits etc.).

To support **Romanian participation in European RDI programmes**, in 2022, with financing through COP, five projects for creating synergies with the RDI actions of Horizon 2020 Programme and other international RDI programmes were completed, and 30 projects were under implementation. In 2022, through NPRSI III, the implementation of 296 projects continued to support participation in bilateral and European/international research programmes (19 projects to support participation in bilateral programmes Romania-Belgium, 165 projects in international research partnerships - ERANET, three projects in international partnerships - Joint Programming Initiatives, 31 projects EUREKA/ Eurostars, 26 projects Active and Assisted Living - AAL, and 52 projects for awarding the participation in Horizon 2020 Programme).

From EEA and Norway Grants 2014-2021, the implementation of the 42 contracted projects (implementation deadline: April 2024) under the Research Programme continued in 2022. The projects contribute to the development of research-based knowledge and enhanced performance of Romanian research at international level in areas such as energy, environment, health, social sciences and humanities, ICT, and biotechnology.

*Note: For more details on investments towards the **green transition in the energy sector** (to support the production/consumption of energy from renewable energy sources and to increase energy efficiency), please refer to 2022.CSR3.*

2020.CSR3.Subpart 5.... digital service infrastructure...

Measures

Broadband communication network. With reference to the elaboration of the legislative and regulatory framework in the field of broadband electronic communications infrastructures and networks, as of Q1/2019, the **project Establishing the reference framework in the field of broadband network development in Romania** is under implementation. An important deliverable of the project consists in developing a **public policy in the field of broadband communications**, based on an analysis at the territorial level as well as on different intervention and financing tools for extending networks. By late August 2022, two events were organized, i.e. in Bucharest and Constanta, in order to carry out regional consultations, useful for the elaboration of the public policy.

As regards the **development of broadband communications infrastructure**, by late 2022, all seven regional investing lots were completed, and the works for last localities from a total of the 695 eligible localities targeted by the **Ro-NET project Development of a national broadband infrastructure in disadvantaged areas** (using ESIF, through COP) were received.

The **implementation of two projects funded by state budget has started**, such as: 1) one that aims **to connect schools and high schools in Ilfov county to a public electronic communications network** able to provide Internet services, at data transfer rates (speed) and other quality conditions tailored to specific needs (budget: 0.2 million lei); 2) one project aiming at **connecting libraries to a public electronic communications network** able to provide Internet services, at data transfer rates and other quality conditions tailored to specific needs (budget: 0.2 million lei).

Directive (EU) 2018/1972 establishing the *European Electronic Communications Code* was transposed by the entry into force, on 10 June 2022, of *Law No 198/2022 for the amendment and completion of some normative acts in the field of electronic communications and for the establishment of measures to facilitate the development of electronic communications networks*.

The *Law No 175/2022 on ensuring access of natural persons to fixed large bandwidth internet services* which provides for a series of measures to be considered for adoption by central and local public authorities to stimulate expansion of electronic communications was adopted. Pursuant to this law, MO MCID No 21.960/2022, through which the data transfer speed required for download at 100 megabits/second (Mbps) for the services specified in the above-mentioned normative act was released. Moreover, ANCOM has compiled the list of localities where individual end users do not have access to a broadband Internet service at a fixed point, and this relevant information has been transmitted to the relevant local public administration authorities.

The Report on universal service related to the electronic communications networks was completed by the National Authority for Management and Regulation in Communications (ANCOM) as the basis for the elaboration of the Strategy on universal service.

The Roadmap transposing the *EU Connectivity Toolbox* is under implementation, more related recommendations being already implemented.

2020.CSR3.Subpart 6: ... clean and efficient production and use of energy and environmental infrastructure, including in the coal regions.

Measures

Note: For details on the adopted measures please refer to the subchapter dedicated to the implementation of 2022.CSR3.

2020.CSR4

2020.CSR4.Subpart 1: Improve the quality and effectiveness of public administration and...

Measures

In 2022, the implementation of the various types of actions aimed at improving the effectiveness and the quality of the administration continued, some of which through financing from the *Administrative Capacity Operational Programme*, and others through the *Structural Reform Support Programme*. At the same time, a range of reform measures impacting this field are found in the **National Recovery and Resilience Plan** (e.g. **Components 7, 14**), and the progress in their implementation will be subject to reporting under this new tool.

Main progress made on the various components of the field in 2022:

- **Sustainable development:** The Department for Sustainable Development (DDD) within the working apparatus of the Government, subordinated to the Prime Minister, contributes to the consolidation of efficient, responsible and inclusive public institutions, the implementation of the *National Sustainable Development Strategy of Romania 2030 (NSDSR)* by supporting the fulfilment of the adequate institutional framework for increasing the institutional capacity of central public authorities in the field of sustainable development, allowing evidence-based public decisions in a projective manner, anticipating systemic developments and risks. In 2023, DDD implements the project co-financed from the *European Social Fund* titled *Sustainable Romania - Development of the Strategic and Institutional framework for the Implementation of the NSDSR 2030*, SIPOCA 613, and participates in the implementation of the projects Consolidation of capacities in the field of public governance - a coordinated approach of Centre of the Government of Romania funded by the EEA and Norway Grants and Improving policy coherence, transparency and coordination at the Centre of the Government of Romania funded by the Technical Support Instrument of the EC (DG REFORM), both with technical assistance from the OECD.

Among the results of the SIPOCA 613 project, in 2022 were the development of the Action Plan for the implementation of the NSDSR 2030, the professionalization of the position of expert in sustainable development through the training of 150 employees from the central public administration, the launch of the new set of national sustainable development indicators and an aggregator of national (National Institute of Statistics) and European (Eurostat) statistical data, with open access to the public, establishing an indicators related measurement & monitoring framework, completion of the Romanian Sustainability Code.

The National Action Plan (NAP) was approved by GD No 754/2022. The actions included in the NAP mainly target inter-institutional coordination, so that line ministries and all relevant institutions are actively involved in the implementation of the Strategy.

The national set of sustainable development indicators, validated in February 2022 by the Advisory Council for Sustainable Development, is an instrument for substantiating decision-making processes in the central administration and includes 291 indicators (243 unique indicators, and 48 multiple indicators), of which 99 main indicators and 192 additional ones. Supplementary to objective measurements, the platform also includes a section dedicated to public perception captured through 50 public opinion barometers. The multi-disciplinary statistical data aggregator has a double role: to support the decision-making process at the level of the central public administration (including through anticipatory, projective positioning and forecasting of future socioeconomic developments) and to monitor the implementation of the NSDSR 2030. The platform is available online at: <http://agregator.romania-durabila.gov.ro/>.

Under the SIPOCA 613 project, DDD took steps to update the specific legislative framework, for the public institutions to include in organizational charts and adapt job descriptions for civil servants with duties in the field of sustainable development. Thus, by Law No 156/2022, the specific public position of expert in sustainable development was introduced into the Administrative Code, a profession that can be exercised under the conditions of holding a diploma of graduation from postgraduate training courses/ programmes organized in accordance with the occupational standard Sustainable Development Expert.

In May 2022, DDD launched the postgraduate training and continuous professional development programme “Public Administration for Sustainable Development”, in which 150 persons from central public authorities and institutions were trained between May and October 2022 as sustainable development experts, learning about the economic, social and environmental dimensions of sustainable development, green budgeting, public policies, taxonomy, statistics, etc.

- **Decentralization:** 10 Notes on the updated status of the decentralization process were presented to the Government; moreover, the *GD No 800/2022 on the organization, functioning and attributions of the Inter-ministerial Technical Committee for Decentralization, the Order of the Minister of Development, Public Works and Administration and of the Minister of Finance No 2345/4006/2022 for the approval of the Methodology for the development of proposals of cost and quality standards for the decentralized public services and those to be decentralized, as well as the Order of the Minister of Development, Public Works and Administration No 1648 of 22 August 2022 on the appointment of representatives of the Ministry of Development, Public Works and Administration (MDLPA) in the Secretariat of the Inter-ministerial Technical Committee for Decentralization, as well as in the working parties for the devolution of powers* were approved.

Implementation of the General Strategy for Decentralization, approved by GD No 229/2017, as well as its monitoring will continue in 2023, simultaneously with the provision of specialized assistance (by MDLPA) to the central and local public administration authorities, involved in the decentralization process, in the elaboration of draft sectoral decentralization laws, in correlation with the political decisions assumed by their leadership. MDLPA will coordinate the elaboration of the quality standards and the cost standards, as the case may be, and will provide TA to the ministries. Moreover, the role of the ministry will be consolidated from the perspective of the possibility of evaluating the administrative capacity of the territorial administrative-divisions, at the request of the Government, relevant ministries or on the MDLPA’s own initiative, based on a methodology.

- **Codification:** under the SIPOCA 59 project, finalized in Q2/2022, the technical version of the draft *Code of Administrative Procedure* was developed, having as main general objectives: *systematizing and streamlining the procedural legislation* in the public administration sector, ensuring unitary legal principles, standards of good regulation for the administrative procedure field, adjusting the administrative procedures to the digitalisation and the administrative simplification processes, ensuring the framework for the good public governance, as well as the premises to reduce the number of litigations and the legal uncertainty; the draft GD on the approval of the preliminary theses of this tool will be completed and submitted to the Government in Q2/2023; the draft Code will be subjected to decisional transparency procedure in Q4/2023. With regard to the *Local Public Finances Code*, the draft will be subjected to a new consultation process, in view of updating, with the associative structures of the local public administration; estimated term for adoption: the end of 2025;
- **Annual monitoring of the implementation of the Administrative Code:** the *Report on Monitoring the Application of the Administrative Code provisions 3 years after its entry into force* (July 2019 - July 2022) was completed in Q3/2022; it allowed for the analysis of evolutions regarding the amendment of the Code provisions. The *Beneficiaries’ Satisfaction Monitoring Report* (the authorities and the public institutions from the central and local administration) was also elaborated, confirming that the broad majority of those guided by MDLPA to properly and

uniformly apply the provisions of the Administrative Code had a useful experience, being satisfied or very satisfied with the collaboration with the ministry. In Q4/2022, the process of monitoring the satisfaction degree of the beneficiaries was resumed, the specific report being finalized in January 2023. The *Annual Monitoring Report for 2022* was completed in February 2023.

- **Administrative consortia and other forms of partnerships between the territorial-administrative divisions (TADs):** strengthening the organizational and functioning of the administrative consortia, as well as other forms of partnerships between TADs in order to render their activity more efficient and to provide better services. In that regard, on the one hand, the way in which the newly approved regulations on administrative consortia - *Law No 375 of 23 December 2022 amending and supplementing the Administrative Code* - responds to the realities from practice and the requirements of the NRRP will be monitored. On the other hand, the way of organizing and functioning of the other forms of partnerships between TADs will be reviewed (e.g. intercommunity development associations/IDA) in order to find methods for improving efficiency and streamlining, both from the perspective of the relationship with local authorities and with third parties (citizens, business environment, funders) (deadline: Q4/2023).
- **Human resources management:** the SIPOCA 136 project, which aimed to develop a *unitary management system in this sector*, was completed in September 2022. The project *Strengthening the administrative capacity of the National Agency of Civil Servants/ANFP* is ongoing (Technical assistance: WB, funding source: 2017-2020 Structural Reform Support Programme); the elaboration of the *2023-2027 Institutional Development Strategy of ANFP* was initiated under this project, as a key document for defining objectives, establishing activities in the priority areas and a few performance indicators to allow the sustainable evaluation and monitoring of the progress. The *2021 Report on the implementation of the principles and standards of conduct, as well as the disciplinary procedures within the public authorities and institutions* was completed in June 2022 (the 2022 Report will be prepared in the first semester of 2023). The rules on organizing the pilot-project of the competition for filling the civil service vacancies and the rules on the general and specific competency frameworks were regulated by Addenda No 8 and No 9 to GEO No 57/2019 on the Administrative Code, as it was amended and supplemented by GEO No 191/2022. The draft GD on the approval of the *2023-2027 Strategy in the field of Civil Service* is subjected to inter-institutional endorsement procedure.
- **Professionalization:** (i) the National Institute of Administration (INA), in its capacity of *beneficiary*, continued to implement the SIPOCA 617 project which aims to develop studies/analyses with an impact on the professional training system and the SIPOCA 1100 project, in order to improve the skills of the personnel involved in the public procurement process within the administration sector. Therefore, training sessions were organized, methodologies, reports and other supporting-documents were developed (e.g. *Training Quality Standards-Innovative Methods and Tools* Programme: 25 participants; two methodologies to assess the training impact; reports addressing the *training needs of the administration personnel, the development of the training providers network*; 32 professional training programmes on the public procurement field: over 1,500 participants, etc.). The SIPOCA 1100 targets for 2023 are as follows: 8,125 trained employees from the local and central public authorities and institutions (professional training programmes), and 950 trained representatives (management level) of the public procurement structures from the central and local administration, TAD' secretary-generals and high-ranking civil servants (specialized training). (ii) In its capacity of *partner* in

SIPOCA 625 project, INA has trained more than 800 people in the public procurement area, and in 2023, the training of more than 3,400 persons with responsibilities in this sector will be completed.

Note: The actions on transparency and participative governance, quality of regulations detailed in the section concerning the implementation of 2019.CSR5, as well as the measures related to e-governance and digital transition presented in the section referring to the implementation of 2020.CSR3 also contribute to meeting 2020.CSR4 on public administration.

2020.CSR4.Subpart 2: [improve] the predictability of decision-making, including through an adequate involvement of social partners.

Measures

In 2022, the implementation of the measures promoting transparency, participative governance and administrative simplification continued. In addition, a range of actions dedicated to *strategic planning, better regulation, strengthening social dialogue* continues through the NRRP and the developments will be subject to reporting under this new tool.

Main progress made in 2022:

- **Transparency and participative governance:** as regards the application of the Law No 52/2003 (the decisional transparency) and the Law No 544/2001 (on the free access to information of public interest), two reports gathering data from the annual reports of the central and local public authorities and institutions were published; monitoring the degree of compliance of the central and local administration authorities with the standards for the ex officio disclosure of the information of public interest was enhanced with five new indicators; this fact led to a general downward trend regarding the degree of compliance (e.g. June-July 2022, state of play: Ministries 70%, Subordinated/Coordinated Authorities: 61%, Institutions of the Prefect: 82%, County Councils: 70%, etc.). The conduct/ management of the platforms has continued, namely: *E-Consultare* (7,409 draft normative acts launched in public consultation), *Unique Interest Groups' Transparency Register* (RUTI) (two training sessions organized), *CONNECT* (with 456 organizations registered), *Register of the Associations, Foundations and Federations*. Implementation of the 2020-2022 National Action Plan (PNA) of the *Open Governance Partnership* (PGD) ended (two monitoring reports were issued), and the *2022-2024 National Action Plan* was approved by the Government in July (it was elaborated in collaboration with the ministries and the civil society); in November 2022, the *PGD National Coordinating Committee* agreed to organize mixed working groups (at technical level) for each commitment of the Plan;
- **Better regulation:** the implementation of the project SIPOCA 603 *Impact Studies for a better regulation* continued; the Annual Report on the impact assessment corresponding to the draft normative acts adopted in 2021 was elaborated; a new training session on preliminary impact assessment was organized (with a total of five such sessions being held, the sixth one being scheduled for Q1/2023); three impact studies are in progress (for MADR, MEd, SGG). The *mechanisms for streamlining some cross-sectorial, horizontal procedures* will be established through the project *Zero*

bureaucracy (Code SIPOCA 399), currently in the implementation phase: the TA contract was signed and two analyses regarding public services were conducted in the fields regulated by MDLPA, MMAP, MFP, MADR, MMSS, MTIC, MS, other than those related to life events, with significant bureaucratic impact on business environment, respectively citizens.

Based on the monitoring framework mechanism developed under the SIPOCA 59 project, which was completed in Q2/2022, the monitoring process of the *Integrated Plan to streamline the administrative procedures applicable to citizens* will continue and periodic reports - semestrial or quarterly-based as the case may be - will be prepared. After the completion of the Plan measures, the *Final report on the impact assessment of measures to simplify administrative procedures applicable to citizens* will be prepared, based on the evaluation mechanism developed within the above-mentioned project.

• **Tools for managing urban planning:**

- MDLPA elaborated the draft *Order for supplementing the methodological norms for implementing the Law No 350/2001 on spatial planning and town planning and on elaborating and updating of town planning documentation approved by the Order of the vice prime minister, minister of regional development and public administration No 233/2016*, aiming to set up a minimal reference framework for creating land use documentation (county land use plans) and urban planning (general/ zonal/ detailed urban plans) in a standardized GIS format. The draft order was submitted to public consultation in November and is to be finalized, as a result of the observations and proposals received during public consultation procedure.
- In 2022, 38 county councils project applications for funding within the *Programme regarding the development and/or updating of general urban plans of localities and local urban planning regulations* were received for 445 TADs. The financing agreements were concluded within the approved budget threshold of 10,500,000 lei. The total value settled by the end of the year was 9,312,824.86 lei for 395 TADs.

2019.CSR1

2019.CSR1.Subpart 1: Ensure compliance with the Council recommendation of 14 June 2019 with a view to correcting the significant deviation from the adjustment path toward the medium-term budgetary objective.

Measures

Note: For details on measures adopted please refer to subchapter on 2022.CSR 1.Subpart 1.

Note: The procedure for correcting the significant deviation from the adjustment path toward the medium-term budgetary objective did not continue, as an excessive deficit procedure has been launched for Romania.

2019.CSR1.Subpart 2: Ensure the full application of the fiscal framework.

Measures

Note: For details on measures adopted please refer to the chapter regarding 2022.CSR1 and subchapter regarding 2020.CSR1.Subpart 1.

2019.CSR.1 Subpart 3: Strengthen tax compliance and collection.

Measures

The authorities continued their efforts to improve tax compliance and collection; as a result, the growth trend of the revenues collected by ANAF continued in 2022. Moreover, ANAF continued to improve its services for taxpayers, to develop the digitalisation processes of tax administration and to fight tax evasion. The efforts to improve customs activity continued as well.

The budgetary revenues collected by the National Agency for Fiscal Administration (ANAF) have continued their upward trend started in 2021. Thus, in **2022 ANAF and the Romanian Customs Authority (AVR) collected 372.5 billion lei (provisional data at 03.01.2023)** i.e. a 19.8% increase (nominal index)/ plus 61.4 billion lei as compared to 2021 (311.1 billion lei).

The increase in the revenues collected was made while *maintaining an accelerated pace of VAT refunds*, which, in 2022, registered an increase both in terms of value (3.7 billion lei, from 24.3 to 28 billion lei), and in number (from 111,548 statements settled in 2021 to 118,578 statements settled in 2022).

Some of the most important measures adopted in 2022, organised according to the five objectives of the **Operational Plan for strengthening the management of budgetary revenue** were as follows:

Objective 1: Developing services for taxpayers. Strengthening the partnership with taxpayers

As from 22 November 2021, ANAF provides assistance for accessing the available services on its website through a *chat service*. Moreover, ANAF expanded the range of *self-services provided* through the Interactive Voice Response system (IVR), with pre-recorded information on: Virtual Private Space, online scheduling, avoiding double taxation, calendar of tax obligations and ways to making payments to ANAF. The requests of information in the self-service system through IVR are monitored through the Call-centre application, with messages being updated as needed.

At the same time, as of March 2022 taxpayers are able to submit requests via a *Contact Form* in all the current tax administration structures that carry out activities with taxpayers.

Objective 2: Digital integrated solutions - making ANAF a performant and intelligent institution with digital integrated solutions, by optimising the use of available data and information

Implementing the most important targets (including those assumed through NRRP, with deadline in 2025) is conditioned by the *successful implementation of digitalisation*

projects (integrated data system - Big Data, IT system for legal entities administration - SFERA, etc.). These projects will allow an operational integrated risk management, which will ensure a targeted risk analysis and an efficient selection of taxpayers. In 2022, significant progress was made regarding the implementation of the following projects:

- ✓ *Standard Audit File for Taxation (SAF-T)* - operational from 1 January 2022 (the filing period for large taxpayers started also from this date, with a six months grace period). The contract for *developing SAF-T system (integration, testing and implementation)* ended on 30 April 2022; the system is currently in the stage of ensuring sustainability;
- ✓ *E-Invoice* - mandatory electronic invoicing system, operational from November 2021. MF and ANAF started the project in March 2020, mainly aiming at improving VAT collection and preventing tax evasion. In 2022, testing was carried out for high fiscal risk products (category indicated by GEO No 130/2021) by reporting in the RO *e-Invoice* system invoices containing high fiscal risk products sold in B2B relations. As from April 2022, the affiliated units have the obligation of sending invoices to holiday vouchers' holders and in the *e-Invoice system* (GEO No 131/2021), and as from July 2022 the obligation of sending invoices to beneficiaries in B2G relations;
- ✓ *Increasing the administrative capacity of MF and subordinated institutions in order to improve interaction with citizens and business environment and provide extended electronic services through ANAF website*. In 2022, preparatory activities were carried out for purchasing products and services for implementing the integrated platform, based on the analysis developed in the contract for IT system state analysis and for defining requirements for adopting the new procedural and informational framework (IT infrastructure), in order to develop ANAF website for an improved interaction with citizens and business environment. The public procurement procedure is currently underway.

Objective 3: Increasing voluntary compliance

ANAF has carried on its effort to streamline and digitalise tax returns forms. Up to date, 54 forms have been digitized, while other 55 are under development.

The project on *Developing tools in order to increase tax compliance* (financed by the EC's Technical Assistance Instrument) was completed in 2022; one of its outputs was ***The 2023-2025 Strategy for increasing voluntary compliance for personal income tax in Romania***. This strategy aims to close the fiscal gap, improved compliance when declaring, increase taxpayers' trust in ANAF and increase the declared income. In order to establish the necessary context for implementing such objectives, ANAF implemented *three pilot projects on the income made by natural persons* from rental activities, educational/ learning activities, and from beauty/ body care activities.

The projects were implemented by elaborating and publishing guides on declaring and paying the tax for income made from the three sources, by running letter-based campaigns for target groups and public information campaigns, as well as by carrying out data analyses from numerous sources, which led to drawing useful conclusions in the context of establishing future actions.

At the same time, ANAF ran several **raising awareness campaigns** regarding the services provided for taxpayers in order to facilitate the fulfilment of fiscal obligations: submitting the Single Return form, instructions on registering natural and legal persons in Virtual Private Space (SPV); online scheduling, promoting web sessions and the Call Centre.

Objective 4: Increasing the actions on fighting tax evasion

With regard to risk management and combating tax evasion measures, it is worth mentioning the following:

- ✓ Refining models for calculating fiscal gaps;
Revenue Administration - Gap Analysis Programme (RA-GAP) model provides estimates of the two components of fiscal gap: fiscal non-compliance and tax policy enforcement. The new model ensures the implementation of focused actions to prevent and combat evasion in these sectors, that allows formulating a risk analysis and increasing ANAF efficiency and effectiveness in collecting VAT revenues;
- ✓ Increasing the number of tax inspections by 5%;
- ✓ Implementing SAF-T and carrying out the first SAF-T report for large taxpayers, which is mandatory as from 1 January 2022;
- ✓ Establishing a national system for monitoring road transport of high fiscal risk goods - *RO e-Transport* (by GEO No 41/2022). Under the system, users declare in advance, in *RO e-T* (on SPV/ANAF website), data on the supplier/ beneficiary of transaction, the goods transported, the vehicle used, and the place of loading/ unloading of goods.

In order to operationalize the system, ANAF President was adopted Order No 802/2022 on establishment of the high fiscal risk goods transported by road and subject to monitoring through *RO e-T*. Moreover, along with the Romanian Customs Authority, it adopted a Joint Order of Presidents No 2,545/ 6,316/ 2022 for the approval of the Procedure for *RO e-T* use and operation;

- ✓ In order to make public the actions on combating tax evasion and the outcomes of the anti-fraud structure, ANAF periodically published on its website press releases, which were later taken over by news sites, creating a flow of positive perception regarding the institution;
- ✓ Ensuring large-scale interoperability with institutional partners;
ANAF carried out specific activities for the conclusion of protocols with public entities holding fiscal relevant data on taxpayers and with other public institutions/ bodies in order to carry out the information exchange according to the law. As a result of the specific steps taken in the reference period, new collaboration protocols were concluded with: the Romanian Car Registry, the Directorate for Records of Persons and Database Administration (MAI), MIPE, the Special Telecommunications Service, the Romanian Road Authority (MTI).

Objective 5 : Human Resources management

ANAF identified the professional training needs of its personnel and implemented the annual plan for professional training for 2022.

In addition, training sessions were held in order to raise the awareness regarding the *Strategy for increasing voluntary compliance for personal income tax in Romania and the recommendations on compliance from income tax perspective*. The purpose of these sessions was to train ANAF personnel tasked with circulating the strategy, guidelines, new operational procedures and future procedures for IT tools use.

Training sessions on implementing *SAF-T and Digital Inspector* app started in June 2022 under the project *Strengthening ANAF capacity to sustain modernizing initiatives*. 78 sessions were held online (on the Moodle platform of the Fiscal School), being attended by 3,729 employees with duties in tax inspection.

The **Fiscal School** was set up in 2022 as an excellence centre for ANAF staff professional training in tax field (GD No 238/2022). The structure is organized and operates as a directorate under ANAF's General Directorate for Organization and Human Resources.

In order to ensure personnel including in areas with deficit or in new fields of activity (statisticians, IT, econometrics, data analysis specialists) ANAF recruited external personnel, organizing contests for open-ended public executive positions in June 2022.

Customs activity

As of March 2022, the **Romanian Customs Authority (AVR)** operates as a national agency with duties in the customs field, under the Ministry of Finance (Law No 268/2021 on establishment of AVR).

Regarding the activity of **ex-post control and re-checking customs statements** submitted and accepted, in 2022 the authorities carried out 38,214 actions and drafted regularization decisions for 288.6 million lei to be paid. The central and regional teams carried out 86,187 controls in 2022; as a result, civil fines totalling 16.5 million lei were applied, as against 13 million lei in 2021.

Concerning the **Import Control System (ICS2-RO** - the national control system for performing the safety and security risk analysis, launched on 1 October 2021) 389,035 out of the 1,956,726 processed statements until 31 December 2022 were selected for assessment; additional information was requested for 4,826 of them.

In 2023, a new software contract will be awarded for alignment with ICS2-RO Phases 2 and 3, which would allow submitting and processing the entry summary declaration for goods transported by air (Phase 2), respectively by sea, road and rail (Phase 3). The implementation of the two phases will lead to an increased efficiency of the safety and security risk analysis, as well as to opportunities for business environment to be able use the Romanian border customs offices as EU entry offices.

In order to **improve customs infrastructure and modernize its offices**, the two projects with external financing (Modernising Siret border crossing customs point, in order to streamline traffic flow at the transnational crossing point from the North borderline of Romania - DN2 (E85), Suceava county; Rehabilitation and modernization of border customs offices on Romania - Moldova border) have continued with activities for completion of the infrastructure works and for purchasing the non-destructive testing equipment.

The **IT system for monitoring the movement of excise goods under duty suspension** in the EU is currently in line with the EC requirements. In 2022 a new software contract was awarded for the new requirements of DG Taxud (EMCS_RO phase 4). In 2022, 226,737 electronic administrative documents were managed in the EMCS-RO application (118,174 received and 108,563 issued), and 423 requests initiated/ received were solved by electronic means, through EMCS-RO.

Regarding the activity of **preventing and fighting illicit tobacco traffic**, 22.1 million cigarettes were seized in 2022 following specific control actions. The estimated value of the confiscated goods and cash (excluding cigarettes/ alcohol/ energy products) reached 18.8 million lei in 2022 (compared to 11.8 million lei in 2021). According to Novel Research market study, in 2022 the *illicit tobacco market registered its lowest average level over the last 15 years - 7.1%*, the average for 2021 being 8.4%.

In 2022, the authorities carried out specific activities on developing the legal framework for setting up a *Central Coordination Unit* under AVR, according **Naples II Convention** (on mutual assistance and cooperation between customs). An inter-institutional working party was set up (consisting of AVR, MAI, MF, MJ and General Prosecutor's Office

representatives), with a draft law to be prepared in 2023 for setting up the working method on the application of Naples II Convention in Romania.

Note: Reporting on investments whose objective is to strengthen the voluntary compliance of taxpayers and to modernize the customs system, financed by NRRP, will be made through the dedicated instrument.

2019.CSR2

2019.CSR2.Subpart 1: Safeguard financial stability and the robustness of the banking sector.

Measures

The National Bank of Romania (BNR) constantly monitors developments and legal initiatives in order to **guarantee legal security and financial stability**. In this context, BNR constantly assesses the legal drafts in the financial-banking sector, **providing points of view, observations and proposals**, as well as **issuing secondary regulations**. The most recent legal drafts concerned were in the field of setting up development banks, consumer protection, increasing the financial inclusion, transposing EU directives (on prudential supervision of financial investment companies or issuing secured bonds) or on the implementation of EU Regulations (on European crowdfunding service providers for business, creating a specific framework for a simple, transparent and standardised security, a pan-European product of personal pensions).

In addition, BNR continues to implement the measures on **reducing and preventing the excessive increase of indebtedness**:

- Increasing the capital countercyclical buffer rate at 0.5%, as of 17 October 2022 (according to CNSM Recommendation No 7/2021) and at 1%, as of 23 October 2023 (according to CNSM Recommendations No 6/2022 and No 1/2023);
- Implementing a reduced threshold by 10 pp of the loan/ collateral ratio for loans granted to natural persons for purchasing real estates which will not be used as own home, according to BNR Regulation No 3/2022 (as from 1 April 2022).

At the same time, as a prudential supervisory authority, BNR included the EU strategic priorities in its supervisory programme, namely *sustainability of business model and adequate governance of credit institutions*. At the same time, the supervisory programme for 2022 included strategic objectives on *monitoring assets' quality and on managing credit risk* (considering the vulnerabilities risen during the pandemic), as well as on *monitoring risks related to information technology, communications and security, operational resilience*.

In order to maintain prudential indicators at appropriate values and to strengthen the risk management framework, BNR requested credit institutions to ensure an efficient management of loan portfolio, to create appropriate provisions and adequate coverage of exposure to credit risk, especially for the risk associated with debtors affected by the crisis, as well as to maintain a prudent approach on distributing dividends from 2021 profit.

In the field of **bank resolution**, concerning the loss absorption and recapitalization capacity of credit institutions and investments firms, *MREL mandatory intermediate*

requirement became applicable from 1 July 2022, as a consequence of transposing Directive (EU) 2019/879 on amending Directive 2014/59/EU.

CSR.2019.2 Subpart 2: Ensure the sustainability of the public pension system and ...

Measures

Note: The measure is addressed through the NRRP.

CSR.2019.2 Subpart 3: ... the long-term viability of the second pillar pension funds.

Measures

Note: The measure is addressed through the NRRP.

2019.CSR3

2019.CSR3.Subpart 1: Improve the quality and inclusiveness of education, in particular for Roma and other disadvantaged groups.

Measures

Note: For details on the adopted measures, please refer to the section dedicated to 2020.CSR2.Subpart 6.

2019.CSR3.Subpart 2: Improve skills, including digital, in particular by increasing the labour market relevance of vocational education and training and higher education

Measures

Note: For details on the adopted measures, please refer to the section dedicated to 2020.CSR2.Subpart 5.

CSR.2019.3 Subpart 3: Increase the coverage and quality of social services

Measures

Note: Details regarding the adopted measures can be found in the section dedicated to the implementation of 2020.CSR2.Subpart 3.

CSR.2019.3 Subpart 4: ... and complete the minimum inclusion income.

Measures

Note: The reform of Minimum Inclusion Income is addressed through the NRRP.

Means testing programmes: family support allowance paid to an average monthly number of 129,440 families; guaranteed minimum income paid to an average monthly number of 156,481 families or single persons; Protection measures for the vulnerable energy consumer - during the cold season November 2021 - March 2022, aids were granted to an average number of 32,583 beneficiaries of thermal household heating, 86,974 beneficiaries of household heating by natural gas, 6,458 beneficiaries of household heating by electric energy and 756,730 beneficiaries of wood heating; In order to cover a part of the household energy consumption throughout the year, the energy supplement was paid to an average number of 27,575 beneficiaries of thermal heating, 95,484 beneficiaries of natural gas heating, 179,358 beneficiaries of electric energy heating and 636,193 beneficiaries of wood heating.

CSR.2019.3 Subpart 5: Improve the functioning of social dialogue.

Measures

Note: The measure is addressed through the NRRP.

CSR.2019.3 Subpart 6: Ensure minimum wage setting based on objective criteria, consistent with job creation and competitiveness.

Measures

Note: The measure is addressed through the NRRP.

2019.CSR3.Subpart 7: Improve access to and cost-efficiency of healthcare, including through the shift to outpatient care.

Measures

Note: Details on measures adopted are referred to in the section on 2020.CSR1.Subpart3.

2019.CSR4

2019.CSR4.Subpart 1: Focus investment-related economic policy on transport, in particular on its sustainability, low-carbon energy and energy efficiency, environmental infrastructure as well as innovation, taking into account regional disparities.

Measures

Note: For details regarding measures adopted/ under implementation please refer to the subchapters dedicated to the implementation of 2022.CSR3 and 2020.CSR3.Subpart 4.

2019.CSR4.Subpart 2: Improve preparation and prioritisation of large projects and accelerate their implementation.

Measures

Note: For details regarding measures adopted/ under implementation please refer to the subchapter dedicated to the implementation of 2020.CSR3.Subpart 2.

2019. CSR4. Subpart 3: Improve the efficiency of public procurement and ensure full and sustainable implementation of the national public procurement strategy

Measures

The reform of the public procurement system

The implementation of the project Support in the implementation of the *National Strategy in the field of public procurement by strengthening the administrative capacity of National Agency of Public Procurement (ANAP) and the contracting authorities* (Code SIPOCA 625) continues, respectively the activities aiming at improving public procurement transparency and efficiency, increasing the administrative capacity of the contracting authorities and pursuing the ex-ante

control reform.

Concerning the two-module IT application (for the legislative screening by ANAP and for ensuring the transparency of draft normative acts/instruments initiated by ANAP), the solution developed, and the functionalities included will cover the first two of the three stages that have been defined, thus ensuring the automation and digitalisation of the legislative screening process.

Moreover, measures to strengthen the administrative capacity of the contracting authorities, with a focus on professionalism and integrity issues - financed through the above-mentioned project, implemented at the ANAP level - will continue to be put into practice. In order to support 160 contracting authorities to streamline the public procurement process and apply the rules and procedures in the field of public procurement in a unified manner, 180 protocols were signed with the contracting authorities and 148 workshops were held - with the team World Bank (WB) - covering the planning, evaluation and contract management stages.

In view of developing the specialized training and professional improvement programmes, through the SIPOCA 625 project, the *Quality standards for the processes of specialized training and professional development in public procurement* were elaborated with the support of the WB. For the same purpose, i.e. supporting the specialized training and professional development programmes, the training of trainers programme was organized with the WB support; under this programme a team of trainers from the ANAP staff was trained. As from the Q3/2022, ANAP in partnership with the National Institute of Administration initiated the specialized training programme that takes place online.

Steps have been made and activities were carried out in order to establish at least two pilot units of centralized procurement at local level (UCA), according to the output no 3 of the SIPOCA 625 project. The specific output of the project was achieved through the setting up of Harghita County Council UCA, the Sibiu County Council UCA and Timisoara Mayor Office UCA, the first centralized public procurement procedures at local level being unrolled.

In order to continue the reform of the ex-ante control to strengthen the ANAP capacity of performing sectoral verifications, the activity of providing support for carrying out the ex-ante control is under implementation; this activity provides for the preparation of documents (opinions, guidelines or studies) on certain sectoral and public procurement issues encountered in the ex-ante control. The activity of preparing documents is being supplemented by the continuous on-the-job assistance activity, upon request, depending on the various specific situations faced by the ex-ante control and which may generally have a specific nature by reference to specific award procedures. Consultants have also been contracted at EIB level as a third party to provide assistance to the ex-ante control staff for a period of 24 months, as from Q1/2020. Currently, a series of non-sectoral trainings are under implementation, to improve the level of general professional skills, and the understanding of the markets and of the relevant fields (e.g. project management, risk assessment, conflict management, and performance evaluation). Provisioning the necessary technical support for the verification of the technical specifications for the procedures that make the object of the pilot project IT&C started at the end of 2021 and was completed in December 2022.

Ensuring the **quality of the centralized public procurement process and implementing methods to streamline and effectively manage this process** are being achieved through the project *Development and implementation of integrated electronic mechanisms for the unfolding and monitoring of centralized procurement* (SIPOCA Code

753), benefiting from a total budget of 49.89 million lei and an implementation timeframe of 46 months.

In view of amending and supplementing GEO No 46/2018 on the establishment, organization and functioning of the National Office for Centralized Procurement (ONAC) and the GD No 119/2019 for the approval of the Implementing regulation for the application of the provisions of GEO No 46/2018, in September 2022 a technical working group made up of representatives of the Ministry of Health (MS), the Ministry of Internal Affairs (MAI) - Department for Emergency Situations (DSU) and ONAC, who have reached an agreement regarding the form of the normative act. The process of amending the legislative framework is going to be initiated.

The award documentation for the centralized procurement procedures for motor vehicles, lighting fixtures and indoor light sources, as well as cleaning products was finalized in 2022, and the framework agreements for stationery and office supply, the provision of mobile telephony services and motor vehicle supply were signed during 2022; they can be used as a model by other contracting authorities from the public procurement system, being of real help in preparing a sound award documentation, in defining appropriate selection and award criteria, in assessing risks and transposing them into contractual clauses, in monitoring the performance indicators of suppliers/providers, and in the inclusion of the green criteria.

In 2022, three more *working tools for streamlining centralized public procurement were defined*: (1) the implementation of means and methods to mitigate the risks on ensuring integrity, as well as of anti-corruption measures, (2) organizing the monitoring process of the centralized framework agreements and of the subsequent contracts, and (3) carrying out the process of collection and aggregation of needs. In April 2023, the EIB experts delivered the sixth (last) working tool, namely the consolidation, organization and carrying out the market consultation process.

As a result of the *Analysis of the vocational training needs*, the Vocational Training Plan of ONAC, the National Council of Solving Complaints, MAI-DSU, and of the General Inspectorate for Emergency Situations was elaborated; between May 2021 and April 2022, nine training sessions for 180 persons were held.

According to the *RAS agreement - Support for the ONAC digitalisation*, the institution receives assistance from the WB in monitoring the procurement contracts for software development and hardware supply. In June 2021, ONAC approved the business analysis and the IT strategy for the development of the electronic system for centralized procurement, carried out by the WB. Through this system, the planning steps of the centralized procurement and the monitoring stages of the centralized framework agreements and the subsequent contracts concluded by users will be digitalised and the centralized public procurement process could be carried out by electronic means (the organization phase of the award procedure is done by the Electronic Public Procurement System/SEAP). The service procurement contract to develop the centralized procurement platform was signed on 1 April 2022, and the contract for the supply of the hardware and software equipment necessary for the operation of the platform was signed on 23 November 2022. The WB team provides assistance to the ONAC team in the implementation of the aforementioned contracts. The in-depth analysis of the functional requirements and the e-platform architecture and design document were received in November 2022; the development, integration, testing and putting into operation of this platform, as well as data migration and staff training are going to be completed by the end of the contract. The hardware and software equipment necessary for the operation of the platform was received in February 2023.

2019.CSR.5

2019.CSR5. Subpart 1: Ensure that legislative initiatives do not undermine legal certainty by improving the quality and predictability of decision-making, including by appropriate stakeholder consultations, effective impact assessments and streamlined administrative procedures.

Measures

Note: For details regarding measures adopted please refer to the section dedicated to the implementation of 2020.CSR4.Subpart 2.

2019.CSR5.Subpart 2: Strengthen the corporate governance of state-owned enterprises

Measures

In 2022, the control structure under the Ministry of Finance (MF) carried out 27 inspections with the objective of checking the compliance with the provisions of *GEO No 109/2011 on corporate governance of public enterprises*, reporting 46 contraventions and applying 46 sanctions: 30 fines amounting to 148,000 lei and 16 warnings.

In 2022, the territorial structures of the economic and financial inspection under ANAF carried out 76 inspections with the same objective, reporting 90 contraventions and applying 90 sanctions: 65 fines amounting to 267,000 lei and 25 warnings.

In Q1/2023, the economic and financial bodies carried out inspections with the objective of checking the compliance with the provisions of *GEO No 109/2011* at 59 public enterprises and 13 public tutelary authorities, applying 14 sanctions for contraventions and 2 warnings; 44 inspections were not completed on 31 March 2023.

Controls having as objective the compliance with the provisions of the *GEO No 109/2011* will continue in 2023.

The 2021 edition of the Annual report on the activity of public enterprises was prepared, approved and published on the website of MF, according to the provisions of art. 58, para. (4) of *GEO No 109/2011*. From the perspective of enforcing the normative framework on the selections of administrators/directors, in 2021, according to the MF data, from the total of 144 central public enterprises compelled to put into practice the provisions of the *GEO No 109/2011*, 85 enterprises are in various stages of the selection process, respectively launched, resumed and finalized.

Note: The measure on strengthening the corporate governance of state-own enterprises is foreseen in the NRRP, the reporting being made within this instrument.

REPORTING EXTRACTED FROM THE EC'S ELECTRONIC DATABASE FENIX ON THE IMPLEMENTATION OF THE NATIONAL RECOVERY AND RESILIENCE PLAN

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
2019.CSR1.subpart1 2020.CSR2.subpart4 2020.CSR3.subpart2	Moderate rehabilitation of public buildings to improve public service delivery by administrative territorial units	Signature of contracts for the moderate renovation of public buildings	Q4/2022	Completed
2019.CSR1.subpart3 2020.CSR1.subpart2	Review of the tax framework	Analysis of Romania's tax system with the objective to produce recommendations to ensure that the tax system contributes to promote and preserve sustainable economic growth	Q4/2022	Not completed
2019.CSR1.subpart3 2020.CSR1.subpart2	Review of the tax framework	Entry into force of amendments to the Fiscal Code gradually reducing the scope of the special tax regime for micro-enterprises	Q4/2022	Completed
2019.CSR1.subpart3 2020.CSR1.subpart2	Review of the tax framework	Entry into force of -amendments to the Fiscal Code (Law nr.227/2015), to reduce and/ or eliminate other tax incentives with the objective to simplify the tax system, make it more effective, transparent and fair by 2024 -Legislation to expand the green taxation	Q1/2023	Not completed
2019.CSR1.subpart3 2020.CSR3.subpart5 2020.CSR4.subpart1	Facilitating taxpayers' compliance through the development of digital services	Digital services and critical electronic systems are operational	Q4/2023	On track
2019.CSR1.subpart3 2020.CSR3.subpart5 2020.CSR4.subpart1	Improving tax and tax administration processes, including through the	Staff training on the risk management system	Q2/2023	Completed

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
	implementation of integrated risk management			
2019.CSR1.subpart3 2020.CSR3.subpart5 2020.CSR4.subpart1	Improving tax and tax administration processes, including through the implementation of integrated risk management	Number of cash registers connected to the National Agency for Fiscal Administration IT system	Q4/2021	Fulfilled
2019.CSR1.subpart3 2020.CSR3.subpart5 2020.CSR4.subpart1	Improving tax and tax administration processes, including through the implementation of integrated risk management	Number of cash registers connected to the National Agency for Fiscal Administration IT system	Q4/2022	Completed
2019.CSR1.subpart3 2020.CSR3.subpart5 2020.CSR4.subpart1	Improving tax and tax administration processes, including through the implementation of integrated risk management	Share of the number of desk audits reported on the total audits carried out by the tax administration – 30%	Q4/2022	Completed
2019.CSR1.subpart3 2020.CSR3.subpart5 2020.CSR4.subpart1	Ensuring the capacity to respond to current and future information challenges, including in the context of the pandemic, through the digital transformation of Ministry of Finance/National Agency for Fiscal Administration	Modernisation of hardware and software infrastructure and of the support infrastructure for the provision of electronic services to taxpayers	Q2/2023	On track
2019.CSR1.subpart3 2020.CSR3.subpart5 2020.CSR4.subpart1	Ensuring the capacity to respond to current and future information challenges, including in the context of the pandemic, through the digital transformation of Ministry of Finance/National Agency for Fiscal Administration	Increased Cyber security of the Ministry of Finance's and ANAF computer system	Q2/2023	On track

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
2019.CSR1.subpart3 2020.CSR3.subpart5 2020.CSR4.subpart1	Ensuring the capacity to respond to current and future information challenges, including in the context of the pandemic, through the digital transformation of Ministry of Finance/National Agency for Fiscal Administration	80% of IT hardware and software infrastructure is not more than 4 years old	Q2/2023	On track
2019.CSR1.subpart3 2020.CSR3.subpart5 2020.CSR4.subpart1	Reform of the National Agency for Fiscal Administration (ANAF) through digitalisation	Entry into force of the legal framework for the compulsory enrolment of legal person taxpayers in SPV (Virtual Private Space)	Q1/2022	Completed
2019.CSR1.subpart3 2020.CSR3.subpart5 2020.CSR4.subpart1	Reform of the National Agency for Fiscal Administration (ANAF) through digitalisation	Additional legal person taxpayers enrolled in SPV	Q4/2022	Completed
2019.CSR1.subpart3 2020.CSR3.subpart5 2020.CSR4.subpart1	Reform of the National Agency for Fiscal Administration (ANAF) through digitalisation	Entry into force of the applicable legal framework defining the risk criteria for the classification of taxpayers. The legal framework shall be approved through an Order of the ANAF President	Q4/2022	Completed
2019.CSR1.subpart3 2020.CSR3.subpart5 2020.CSR4.subpart1	Reform of the National Agency for Fiscal Administration (ANAF) through digitalisation	Entry into force of the amended legal framework in the field of activity of tax inspection bodies	Q4/2022	Completed
2019.CSR1.subpart3 2020.CSR3.subpart5 2020.CSR4.subpart1	Reform of the National Agency for Fiscal Administration (ANAF) through digitalisation	Operationalization/approval of the Joint Action Plan between the National Agency for Fiscal Administration and Labour Inspection to prevent and limit the phenomenon of grey/black work evasion	Q1/2022	Completed
2019.CSR2.subpart2	Economic modelling instrument (Pension Reform Options Simulation Toolkit)	Economic modelling tool (Pension Reform Options Simulation Toolkit model)	Q4/2023	On track

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
	to improve institutional capacity to forecast pension expenditures	operational		
2019.CSR2.subpart2	Economic modelling instrument (Pension Reform Options Simulation Toolkit) to improve institutional capacity to forecast pension expenditures	Extending the team from 1 to 8 experts and improving the capacity of medium and long term structural pension reform by providing 8 people with a training to use the Pension Reform Options Simulations toolkit model	Q4/2023	On track
2019.CSR2.subpart2 2020.CSR1.subpart2	Reform of the public pension system	Contract technical assistance provided by an entity that shall be selected according to the national public procurement legislation	Q4/2021	Fulfilled
2019.CSR2.subpart2 2020.CSR1.subpart2	Reform of the public pension system	Entry into force of a minister's order setting up a monitoring committee in charge of reviewing, with the support of the technical assistance provider the pension system and the policy interventions in the pension system	Q4/2021	Fulfilled
2019.CSR2.subpart2 2020.CSR1.subpart2	Reform of the public pension system	Entry into force of the amendments to the regulatory framework to ensure the sustainability of Pillar 2 pensions	Q1/2022	Completed
2019.CSR2.subpart2 2020.CSR1.subpart2	Reform of the public pension system	Entry into force of the new law on the pension system, replacing the provisions of Law No 127/2019	Q1/2023	Not completed
2019.CSR2.subpart2 2020.CSR1.subpart2	Reform of the public pension system	Entry into force of the legislative framework for reducing expenditure on special pensions	Q4/2022	Not completed
2019.CSR2.subpart2	Supporting the process of assessing pension files	All pension files recalculated	Q4/2023	On track

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
2019.CSR3.subpart1 2020.CSR1.subpart3	Construction of housing for youth and for professionals in health and education	Signature of all public contracts for building housing for young people coming from vulnerable communities and groups, emergency housing and for health and education professionals in urban or rural areas	Q4/2022	Completed
2019.CSR3.subpart1 2020.CSR2.subpart6	Increasing access to culture in culturally deprived areas	Signature of the financing contracts	Q1/2023	Not completed
2019.CSR3.subpart1 2020.CSR2.subpart6	Increasing access to culture in culturally deprived areas	Signature of the financing contracts	Q3/2023	On track
2019.CSR3.subpart1 2019.CSR3.subpart2 2020.CSR2.subpart5 2020.CSR2.subpart6	Elaboration and adoption of the legislative package for the implementation of the "Educated Romania" project	Entry into force of the legislative package for the implementation of the 'Educated Romania' project	Q3/2023	On track
2019.CSR3.subpart1 2020.CSR2.subpart6	Unitary, inclusive and quality early-childhood education system	- Entry into force of the Ministerial Order (MO) adopting the Cross-sectoral Framework Programme - Entry into force of the MO regulating the establishment, organisation and operation of complementary early-childhood education services	Q4/2022	Completed
2019.CSR3.subpart1 2020.CSR2.subpart6	Reform of the compulsory education system to prevent and reduce early school leaving	Entry into force of the Government Decision establishing the implementation of the National Programme to reduce early school leaving	Q4/2021	Fulfilled
2019.CSR3.subpart1 2020.CSR2.subpart6	Reform of the compulsory education system to prevent and reduce early school leaving	Entry into force of the Ministerial Order (MO) for the use of MATE tool at national level	Q4/2022	Completed
2019.CSR3.subpart1 2020.CSR2.subpart6	Creation of a full professional route for higher technical education	Entry into force of the Government Decision approving the Methodology for organizing the complete dual route and the new	Q3/2022	Completed

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
		qualifications resulting from the complete dual route		
2019.CSR3.subpart1 2019.CSR3.subpart2 2020.CSR2.subpart5 2020.CSR2.subpart6	Adoption of the legislative framework for the digitalisation of education	Entry into force of the Ministerial Order (MO) to ensure standards for equipping schools with technological equipment and resources for educational purposes online and to ensure a sustainable impact of the proposed investments	Q1/2022	Completed
2019.CSR3.subpart1 2019.CSR3.subpart2 2020.CSR2.subpart5 2020.CSR2.subpart6	Adoption of the legislative framework for the digitalisation of education	Entry into force of the law setting out the profile of the future teacher on digital competence and how to assess digital competence in school examinations	Q2/2022	Completed
2019.CSR3.subpart1	Updated regulatory framework to ensure environmentally friendly design, construction and endowment standards in the pre-university education system	Entry into force of amendments to the legislative framework to increase the quality of learning environments	Q2/2022	Completed
2019.CSR3.subpart1	Reform of the governance of the pre-university education system and professionalisation of management	Signature of the technical assistance contract for the development of the Governance Reform Action Plan, including the training and coaching programme for managers and inspectors	Q1/2022	Completed
2019.CSR3.subpart1	Reform of the governance of the pre-university education system and professionalisation of management	Publication and implementation of a Governance Reform Action Plan, including the training and coaching programme for managers and inspectors	Q1/2023	Not completed

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
2019.CSR3.subpart1 2020.CSR2.subpart6	Construction, equipping and operationalisation of 110 crèches	Signature of contracts with public operators (municipalities) for the construction, equipment and operationalisation of 110 crèches	Q2/2022	Completed
2019.CSR3.subpart1 2020.CSR2.subpart6	Setting up, equipping and operationalising 412 complementary services for disadvantaged groups	Signature of contracts for setting up, equipping and operationalising complementary services for disadvantaged groups	Q1/2023	Not completed
2019.CSR3.subpart1 2020.CSR2.subpart6	Setting up, equipping and operationalising 412 complementary services for disadvantaged groups	Complementary services set up, equipped and operational	Q1/2024	On track
2019.CSR3.subpart1 2020.CSR2.subpart6	Supporting educational establishments with high risk of drop-outs	Open call for projects for the support of students for the transition from lower to upper secondary education, on the basis of 5 indicators defined in the Early Warning Mechanism in Education	Q4/2021	Fulfilled
2019.CSR3.subpart1 2020.CSR2.subpart6	Supporting educational establishments with high risk of drop-outs	Educational establishments awarded with the grant scheme (Lot 1)	Q1/2022	Completed
2019.CSR3.subpart1 2020.CSR2.subpart6	Supporting educational establishments with high risk of drop-outs	Educational establishments awarded with the grant scheme (Lot 2)	Q2/2023	On track
2019.CSR3.subpart1 2020.CSR2.subpart6	Supporting educational establishments with high risk of drop-outs	Education establishments included in the drop-out programme with digitalised classrooms	Q4/2023	On track
2019.CSR3.subpart1 2019.CSR3.subpart2 2020.CSR2.subpart5 2020.CSR2.subpart6	Trainings for users of the Romanian Integrated Education Information System (SIIR) and the Early Warning Mechanism (MATE) IT tool and systemic interventions to reduce early school	Users of the Romanian Integrated Education Information System (SIIR) and the MATE IT tool trained	Q1/2023	Not completed

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
	leaving			
2019.CSR3.subpart1 2020.CSR2.subpart6 2022.CSR3.subpart4	Green-schools network development and purchase of green minibuses	Electric minibuses purchased and in use	Q2/2023	On track
2019.CSR3.subpart1	Provision of facilities for pre-university classrooms and school laboratories/worksh ops	Opening a call for tender for fitting classrooms with furniture	Q2/2023	Not completed
2019.CSR3.subpart1	Provision of facilities for pre-university classrooms and school laboratories/worksh ops	Opening a call for tender for equipping science laboratories/workshops	Q2/2023	Not completed
2019.CSR3.subpart1 2019.CSR3.subpart2 2020.CSR2.subpart5	Equipping of IT laboratories in vocational education and training (VET) schools	VET educational schools equipped with computer laboratories	Q3/2023	On track
2019.CSR3.subpart1 2019.CSR3.subpart2 2020.CSR2.subpart5	Equipping of practice workshops in VET schools	VET educational units equipped with functional practice laboratories	Q3/2023	On track
2019.CSR3.subpart1 2020.CSR2.subpart6	Online School: Assessment platform and content development	Online Student Assessment ePlatform is operational	Q1/2024	On track
2019.CSR3.subpart1 2019.CSR3.subpart2 2020.CSR2.subpart5	Digitisation of universities and preparation for the digital professions of the future	Signature of contracts for grants for innovative technology centres in universities	Q2/2022	Completed
2019.CSR3.subpart1 2019.CSR3.subpart2 2020.CSR2.subpart5	Digitisation of universities and preparation for the digital professions of the future	Signature of contracts for a grant scheme for the digitalisation of the National Council of Rectors	Q4/2022	Not completed
2019.CSR3.subpart1 2020.CSR2.subpart6 2022.CSR3.subpart4	Ensuring university infrastructure (homes, canteens, recreation facilities)	Recreation and reading places constructed or upgraded and in use	Q1/2024	On track
2019.CSR3.subpart2 2022.CSR3.subpart4	Strengthening the professional capacity of professionals and workers in the renovation sector by developing trainings on energy efficiency	Establishment of certification schemes in the field of energy performance of buildings	Q1/2023	Completed

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
	construction			
2019.CSR3.subpart2 2022.CSR3.subpart4	Strengthening the professional capacity of professionals and workers in the renovation sector by developing trainings on energy efficiency construction	At least 8 000 specialist and workers with a certification for the completion of energy efficiency related trainings	Q4/2023	On track
2019.CSR3.subpart2 2020.CSR2.subpart5	Increasing digital competence for public service and digital education throughout life for citizens	Entry into force of the ministerial order of the Minister of Labour and the National Institute of Statistics President for the definition of new digital occupations in the Classification of Occupations (COR)	Q3/2022	Completed
2019.CSR3.subpart2 2020.CSR2.subpart5	Schemes to upskill/reskill employees in firms	Launch of the call for 'Grant Support for Digital Skills'	Q1/2022	Completed
2019.CSR4.subpart1 2019.CSR3.subpart2 2020.CSR3.subpart3	Operationalisation of Destination Management Organisations (DMOs)	All the optimum destination areas for regional Destination Management Organisations (DMOs) in Romania mapped	Q1/2022	Completed
2019.CSR4.subpart1 2019.CSR3.subpart2 2020.CSR3.subpart3	Operationalisation of Destination Management Organisations (DMOs)	Action plan for the use of cultural heritage to increase the competitiveness of the Romanian tourism sector	Q1/2022	Completed
2019.CSR4.subpart1 2019.CSR3.subpart2 2020.CSR3.subpart3	Operationalisation of Destination Management Organisations (DMOs)	Entry into force of the legislative framework by Government Decision which shall include a clear description of the financing mechanism to support the development of the network of DMOs and a clear governance model	Q3/2022	Completed
2019.CSR4.subpart1 2019.CSR3.subpart2 2020.CSR3.subpart3	Operationalisation of Destination Management Organisations (DMOs)	DMOs established	Q4/2023	On track
2019.CSR3.subpart3 2020.CSR3.subpart2 2020.CSR2.subpart3 2020.CSR3.subpart4	Improving housing quality	Entry into force of legislative act for the implementation of the National Housing Strategy and Action	Q2/2022	Completed

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
		Plan to decrease severe housing deprivation		
2019.CSR3.subpart3 2020.CSR2.subpart6	Reforming the funding system for the cultural sector	Entry into force of the law on the funding system for the cultural sector	Q3/2022	Completed
2019.CSR3.subpart3 2020.CSR2.subpart6	Reforming the funding system for the cultural sector	Entry into force of the law on the statute of cultural workers	Q1/2023	Not completed
2019.CSR3.subpart3 2020.CSR2.subpart2 2020.CSR2.subpart3	Creating a new legal framework to prevent the separation of children from their families	Entry into force of a legislative act necessary to prevent the separation of children from the family and support for vulnerable families	Q4/2022	Not completed
2019.CSR3.subpart3 2019.CSR3.subpart4 2020.CSR2.subpart3	Introduction of work cards and formalisation of work in domestic workers	Entry into force of legislation, and its implementing rules, for the domestic workers voucher system	Q1/2022	Completed
2019.CSR3.subpart6 2019.CSR3.subpart3	Ensure minimum wage setting	Entry into force of the regulation governing the new system for minimum wage setting	Q1/2024	On track
2019.CSR3.subpart3 2020.CSR2.subpart3 2020.CSR2.subpart2	Creation of a network of day centres for children at risk of separation	Delivery of a mapping of needs, available services and infrastructure facilities for children at risk of separation from families, in particular in vulnerable communities	Q2/2023	Completed
2019.CSR3.subpart3 2020.CSR2.subpart2	Reform of the protection system for adults with disabilities	Entry into force of the legislative act for the implementation and operationalisation of the Guide to Accelerating the De-institutionalisation Process	Q4/2022	Completed
2019.CSR3.subpart3 2020.CSR2.subpart2	Reform of the protection system for adults with disabilities	Entry into force of the law to support the implementation of the adopted national strategy for the prevention of institutionalisation	Q4/2022	Completed
2019.CSR3.subpart4 2019.CSR3.subpart3 2020.CSR2.subpart3 2020.CSR2.subpart2	Operationalisation of the introduction of work cards for domestic workers	Entry into operation of a functional digital platform for the use of vouchers for domestic workers	Q4/2023	On track

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
2019.CSR3.subpart3 2019.CSR3.subpart5	Improvement of the social economy legislation	Entry into force of the amendment of Law No 219/2015 on the social economy and the implementing rules	Q2/2022	Completed
2019.CSR3.subpart3	Reform of long-term care services for older people	Entry into force of a law for the adoption and implementation of the National Long-Term-Care Strategy	Q4/2022	Completed
2019.CSR3.subpart4	Implementation of the Minimum Inclusion Income (VMI)	Entry into force of the law approving the implementing rules for the application of VMI	Q3/2022	Completed
2019.CSR5.subpart1 2019.CSR3.subpart5 2020.CSR4.subpart2	Increasing the capacity of civil society organisations to foster active citizenship, to engage professionally in the planning and implementation of public policies on social rights addressed by the national recovery and resilience plan and to monitor related reforms	Entry into force of social dialogue legislation, providing for meaningful and timely social dialogue and collective bargaining, in line with the ILO Recommendations	Q4/2022	Not completed
2019.CSR3.subpart7 2020.CSR1.subpart3	Increased capacity for the management of public health funds	Entry into force of the ministerial order for the performance and quality indicators to be used for the selection of the medical units benefiting from the Health Quality Fund	Q4/2022	Not completed
2019.CSR3.subpart7 2020.CSR1.subpart3	Increased capacity for the management of public health funds	Entry into force of the Government Decision for a new model framework contract governing the conditions for granting medical assistance, medicines and medical devices, assistive devices and technologies within the framework of the health insurance system	Q2/2023	On track

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
2019.CSR3.subpart7 2020.CSR1.subpart3	Increased capacity for the management of public health funds	Entry into force of the legislative amendment required to include budget spending review outcomes in the budgetary process	Q1/2024	On track
2019.CSR3.subpart7 2020.CSR1.subpart3	Increased capacity to undertake investments in health infrastructure	Entry into force of the legislative framework establishing the National Agency for Infrastructure Development in Health (ANDIS)	Q2/2022	Completed
2019.CSR3.subpart7 2020.CSR1.subpart3	Increased capacity for health management and human resources in health	Entry into force of the legislative framework for the Increased capacity for health management and human resources in health	Q2/2022	Completed
2019.CSR3.subpart7 2020.CSR1.subpart3	Increased capacity for health management and human resources in health	Entry into force of legislation for the strategic framework for the development of human resources in health	Q2/2022	Completed
2019.CSR3.subpart7 2020.CSR1.subpart3	Increased capacity for health management and human resources in health	Development of human resources in health	Q1/2023	Completed
2019.CSR3.subpart7 2020.CSR1.subpart3	Increased capacity for health management and human resources in health	Entry into force of an order of the Minister of Health setting up a framework of differentiated recognition of professional merits and reward of health professionals	Q4/2023	On track
2019.CSR3.subpart7 2020.CSR1.subpart3	Increased capacity for health management and human resources in health	Entry into force of the joint order of the Ministry of Health and the National Health Insurance House (CNAS) for a mechanism to prioritise budget allocations made by the Ministry of Health and the National Health Insurance House (CNAS)	Q4/2023	On track
2019.CSR3.subpart7 2020.CSR1.subpart3 2020.CSR2.subpart3 2022.CSR3.subpart4	Development of pre-hospital medical infrastructure	Adoption of criteria for prioritising investments in integrated community centres	Q4/2021	Fulfilled

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
2019.CSR3.subpart7 2020.CSR1.subpart3 2020.CSR2.subpart3 2022.CSR3.subpart4	Development of pre-hospital medical infrastructure	Practices of family doctors or associations of primary care practices equipped or renovated, prioritising practices located in marginalised regions and municipalities	Q2/2023	On track
2019.CSR3.subpart7 2020.CSR1.subpart3 2020.CSR2.subpart3 2022.CSR3.subpart4	Development of pre-hospital medical infrastructure	Mobile medical units equipped for breast and cervical cancer screening	Q2/2023	On track
2020.CSR3.subpart5 2019.CSR3.subpart7	Development of eHealth and telemedicine system	Public health institutions digitalised	Q2/2023	On track
2019.CSR4.subpart2 2019.CSR4.subpart1 2020.CSR3.subpart6	Strengthening the regulatory framework for the sustainable management of the water and wastewater sector and accelerating public access to quality services under European directives	Entry into force of the amendments to the Law No 241/2006 on water supply and sewerage	Q4/2021	Fulfilled
2019.CSR4.subpart2 2019.CSR4.subpart1 2020.CSR3.subpart6	Strengthening the regulatory framework for the sustainable management of the water and wastewater sector and accelerating public access to quality services under European directives	Entry into force of the law approving the national programme First Connection to Water and Sanitation	Q1/2022	Completed
2019.CSR4.subpart2 2019.CSR4.subpart1 2020.CSR3.subpart6	Strengthening the regulatory framework for the sustainable management of the water and wastewater sector and accelerating public access to quality services under European directives	Implementation agreements signed with the local authorities participating in the First Connection to Water and Sanitation Programme	Q4/2022	Completed

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
2019.CSR4.subpart2 2019.CSR4.subpart1 2020.CSR3.subpart6	Collection of waste water in agglomerations of less than 2 000 population equivalent which prevent the achievement of good status of water bodies and/or affect natural protected areas	Individual or other appropriate systems built and operational in agglomerations of less than 2 000 population equivalent	Q4/2023	On track
2019.CSR4.subpart2 2019.CSR4.subpart1 2020.CSR3.subpart6 2020.CSR3.subpart4	Rehabilitation of existing accumulations that require emergency interventions for safe operation	Adoption of project designs by Government Decision/Ministerial Order, as applicable	Q2/2023	On track
2019.CSR4.subpart1 2020.CSR3.subpart4	Appropriate endowment of river basin administrations for flood monitoring, prevention and emergency response	River Basin Administrations equipped with machinery for rough access and intervention, amphibious access and transport of mobile bags/dikes in hard-to-reach areas, drones equipped with LIDAR/Flir/photogrammetry sensors, geoelectroresistive/georadar technologies of dyke bodies as well as hardware and software infrastructure	Q3/2023	On track
2019.CSR4.subpart1 2020.CSR3.subpart6	Reform of forest management and governance systems through the development of a new National Forest Strategy and subsequent legislation	Adoption of the National Forest Strategy 2020-2030	Q3/2022	Completed
2019.CSR4.subpart1 2020.CSR3.subpart6	Reform of forest management and governance systems through the development of a new National Forest Strategy and subsequent legislation	Entry into force of amended Ministerial Ordinances laying down binding rules for afforestation and reforestation foreseen in the National Forestry Strategy 2020-2030	Q3/2022	Completed

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
2019.CSR4.subpart1 2020.CSR3.subpart6	Reform of forest management and governance systems through the development of a new National Forest Strategy and subsequent legislation	Entry into force of the legislative acts amending and supplementing the existing legislation on forests	Q2/2023	On track
2019.CSR4.subpart1 2020.CSR3.subpart6	Reform of the management system of protected natural areas for the coherent and effective implementation of the European Biodiversity Strategy	Entry into force of the legislative act setting up the inter-institutional committee to analyse the legal framework applicable to sectors with an impact on biodiversity	Q2/2022	Completed
2019.CSR4.subpart1 2020.CSR3.subpart6 2020.CSR3.subpart4	Identification of potential areas for strict protection in natural terrestrial and marine habitats in order to implement the EU Biodiversity Strategy for 2030 and Update of approved management plans and identification of potential areas for strict protection in natural terrestrial and marine habitats in order to implement the EU Biodiversity Strategy for 2030	Entry into force of the legislative act for the designation of strictly protected areas (identified in Natura 2000 protected areas with existing management plans or including primary and old-growth forests)	Q4/2023	On track
2019.CSR4.subpart1 2020.CSR3.subpart6	Integrated flood risk mitigation systems in forest river basins	Adoption of project design	Q1/2023	Completed
2019.CSR4.subpart1 2020.CSR3.subpart4 2022.CSR3.subpart1	Sustainable transport, decarbonisation and road safety / Road decarbonisation in line with “polluter pays” principle	Entry into force of the law for the implementation of a new distance-based charging system for heavy duty vehicles (trucks), and higher ownership taxes for most polluting passengers vehicles (cars/buses/coaches) based on the ‘polluter pays’ principle and green taxation principle	Q2/2023	On track

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
2019.CSR4.subpart1 2020.CSR3.subpart4 2022.CSR3.subpart1	Sustainable transport, decarbonisation and road safety / Road decarbonisation in line with “polluter pays” principle	Adoption of the National Road Safety Strategy	Q2/2022	Completed
2019.CSR4.subpart1 2020.CSR3.subpart4 2022.CSR3.subpart1	Sustainable transport, decarbonisation and road safety / Road decarbonisation in line with “polluter pays” principle	Entry into force of the road safety law - legislation on monitoring, enforcement and sanctions on road safety offences	Q4/2022	Completed
2019.CSR4.subpart1 2020.CSR3.subpart4 2022.CSR3.subpart1	Sustainable transport, decarbonisation and road safety / Road decarbonisation in line with “polluter pays” principle	Adoption of the strategy for the development of railway infrastructure 2021-2025 and application of the action plan	Q4/2021	Fulfilled
2019.CSR4.subpart1 2020.CSR3.subpart4 2022.CSR3.subpart1	Sustainable transport, decarbonisation and road safety / Road decarbonisation in line with “polluter pays” principle	Adoption of the Shipping strategy	Q2/2023	On track
2019.CSR4.subpart1 2020.CSR3.subpart4	Modernisation and renewal of railways infrastructure	Signature of contracts for 50% of the works related to modernisation, upgrade and renewal of railway infrastructure	Q4/2022	Completed
2019.CSR4.subpart1 2020.CSR3.subpart4	Modernisation and renewal of railways infrastructure	Signature of contracts for 100% of the works related to modernisation, upgrade and renewal of railway infrastructure	Q4/2023	On track
2019.CSR4.subpart1 2020.CSR3.subpart4	Railways rolling stock	Signature of contracts following open and competitive tenders	Q2/2023	On track
2019.CSR4.subpart1 2019.CSR4.subpart2	Development of sustainable road infrastructure on TEN-T network, road charging, traffic management and road safety	Signature of contracts for 100% of the works, following open and competitive tenders and relevant permits obtained, with Environmental Impact Assessment and Appropriate Assessment (part of the Habitats Directive) opinions issued and	Q4/2023	On track

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
		incorporated in the design of the investments		
2019.CSR4.subpart1 2019.CSR4.subpart2 2020.CSR3.subpart4 2020.CSR3.subpart2	Development of the underground transport network in the municipalities of Bucharest and Cluj-Napoca	Signature of contracts for 50% of the works, following open and competitive tenders and relevant permits obtained	Q4/2022	Not completed
2019.CSR4.subpart1 2019.CSR4.subpart2 2020.CSR3.subpart4 2020.CSR3.subpart2	Development of the underground transport network in the municipalities of Bucharest and Cluj-Napoca	Signature of contracts for 100% of the works, following open and competitive tenders and relevant permits obtained	Q4/2023	On track
2019.CSR5.subpart1 2019.CSR4.subpart1 2020.CSR4.subpart1 2022.CSR3.subpart4	Simplified and updated regulatory framework to support the implementation of investments in the transition to green and resilient buildings	Entry into force of the amendments to the existing legislative framework on the multiannual national programme for improving the energy performance of residential buildings (Government Emergency Ordonance No 18/2009)	Q4/2022	Completed
2019.CSR5.subpart1 2019.CSR4.subpart1 2020.CSR4.subpart1 2022.CSR3.subpart4	Simplified and updated regulatory framework to support the implementation of investments in the transition to green and resilient buildings	The technical regulatory framework on investments for the transition to green and digital buildings is operational	Q4/2022	Completed
2019.CSR4.subpart1 2022.CSR3.subpart4	Establishment of a renovation wave fund to finance works to improve the existing building stock	Establishing a national support scheme for energy and efficiency renovation and integrated renovation (seismic consolidation and energy efficiency) of multifamily residential buildings	Q1/2022	Completed
2019.CSR4.subpart1 2022.CSR3.subpart4	Establishment of a renovation wave fund to finance works to improve the existing building stock	Establishing a national support scheme for energy efficiency renovation and integrated renovation (seismic consolidation and energy efficiency) for public buildings	Q1/2022	Completed

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
2019.CSR4.subpart1 2022.CSR3.subpart4	Establishment of a renovation wave fund to finance works to improve the existing building stock	Calls for proposals for the energy efficiency renovation and integrated renovation (seismic consolidation and energy efficiency) for residential buildings	Q2/2022	Completed
2019.CSR4.subpart1 2022.CSR3.subpart4	Establishment of a renovation wave fund to finance works to improve the existing building stock	Call for proposals for the energy efficiency renovation and integrated renovation (seismic consolidation and energy efficiency) (public buildings)	Q2/2022	Completed
2019.CSR4.subpart1 2022.CSR3.subpart4	Establishment of a renovation wave fund to finance works to improve the existing building stock	Signature of contracts for the energy efficiency renovation and integrated renovation (seismic consolidation and energy efficiency) for residential buildings	Q4/2022	Completed
2019.CSR4.subpart1 2022.CSR3.subpart4	Establishment of a renovation wave fund to finance works to improve the existing building stock	Signature of contracts for the energy efficiency renovation and integrated renovation (seismic consolidation and energy efficiency) for public buildings	Q4/2022	Completed
2019.CSR4.subpart1 2020.CSR3.subpart6 2020.CSR3.subpart3 2022.CSR3.subpart2 2022.CSR3.subpart1	New capacities for electricity generation from renewable sources	Signature of Contracts for Difference for renewable sources	Q4/2023	On track
2019.CSR4.subpart1 2020.CSR3.subpart6 2020.CSR3.subpart3 2022.CSR3.subpart2 2022.CSR3.subpart1	New capacities for electricity generation from renewable sources	Opening a call for tender for projects for the production of energy from renewable sources (wind and solar)	Q1/2022	Completed
2019.CSR4.subpart1 2020.CSR3.subpart3 2020.CSR3.subpart6 2022.CSR3.subpart2 2022.CSR3.subpart1	Electricity market reform, replacement of coal in the energy mix and support for a legislative and regulatory framework for private investment in renewable electricity production	Decommissioning of coal-fired power-production capacity	Q4/2021	Fulfilled

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
2019.CSR4.subpart1 2020.CSR3.subpart3 2020.CSR3.subpart6 2022.CSR3.subpart2 2022.CSR3.subpart1	Electricity market reform, replacement of coal in the energy mix and support for a legislative and regulatory framework for private investment in renewable electricity production	Entry into force of the Decarbonisation law adopting the coal/lignite phase-out calendar	Q2/2022	Completed
2019.CSR4.subpart1 2020.CSR3.subpart3 2020.CSR3.subpart6 2022.CSR3.subpart2 2022.CSR3.subpart1	Electricity market reform, replacement of coal in the energy mix and support for a legislative and regulatory framework for private investment in renewable electricity production	Decommissioning of lignite-fired power-production capacity	Q4/2022	Not completed
2019.CSR4.subpart1 2020.CSR3.subpart3 2020.CSR3.subpart6 2022.CSR3.subpart2 2022.CSR3.subpart1	Electricity market reform, replacement of coal in the energy mix and support for a legislative and regulatory framework for private investment in renewable electricity production	Entry into force of the New Energy Law	Q2/2023	On track
2019.CSR4.subpart1 2020.CSR3.subpart6 2022.CSR3.subpart2 2022.CSR3.subpart1	Developing a favourable legislative and regulatory framework for future technologies, in particular hydrogen and storage solutions	Entry into force of the amendments to the legislative framework, implementing the National Hydrogen Strategy	Q1/2023	Not completed
2019.CSR4.subpart1 2020.CSR3.subpart6 2022.CSR3.subpart4 2022.CSR3.subpart1	Reducing the energy intensity of the economy by developing a sustainable mechanism to boost energy efficiency in industry	Entry into force of the legislative framework introducing measures to facilitate investment in energy efficiency in the industry	Q4/2022	Not completed

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
2019.CSR4.subpart1 2020.CSR3.subpart6 2022.CSR3.subpart1 2022.CSR3.subpart2	Increasing competitiveness and decarbonisation of the heating – cooling sector	Entry into force of the legislative framework introducing measures to decarbonise the heating and cooling sector	Q4/2023	On track
2019.CSR4.subpart1 2020.CSR3.subpart6 2020.CSR2.subpart3 2022.CSR3.subpart1 2022.CSR3.subpart2	Distribution infrastructure of renewable gases (using natural gas in combination with green hydrogen as a transitional measure), as well as green hydrogen production capacities and/or its use for electricity storage	Signature of contracts for the construction of at least 100MW of new electrolysers capacity	Q2/2022	Completed
2019.CSR4.subpart1 2020.CSR3.subpart6 2020.CSR2.subpart3 2022.CSR3.subpart1 2022.CSR3.subpart2	Distribution infrastructure of renewable gases (using natural gas in combination with green hydrogen as a transitional measure), as well as green hydrogen production capacities and/or its use for electricity storage	Signature of contract for the construction of a hydrogen ready distribution network in the Oltenia region	Q4/2023	On track
2019.CSR4.subpart2 2019.CSR4.subpart1 2020.CSR3.subpart6 2022.CSR3.subpart1	Development of flexible and high-efficient gas-fired combined heat and power generation (CHP) in district heating to achieve deep decarbonisation	Signature of contracts for high-efficient gas cogeneration and district heating projects	Q2/2022	Completed
2019.CSR4.subpart1 2020.CSR3.subpart6 2020.CSR3.subpart3 2022.CSR3.subpart2 2022.CSR3.subpart1	Industrial chain of production and/or assembly and/or recycling of batteries, cells and photovoltaic panels (including ancillary equipment), production of raw materials used in the associated industry, and new electricity storage capacities	Signature of contracts for investments in the battery and photovoltaic production chain	Q3/2022	Not completed

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
2019.CSR4.subpart1 2020.CSR3.subpart6 2020.CSR3.subpart3 2022.CSR3.subpart2 2022.CSR3.subpart1	Industrial chain of production and/or assembly and/or recycling of batteries, cells and photovoltaic panels (including ancillary equipment), production of raw materials used in the associated industry, and new electricity storage capacities	Signature of contracts under the Battery Storage Support Scheme	Q3/2022	Not completed
2019.CSR4.subpart1 2020.CSR3.subpart6 2020.CSR3.subpart3 2022.CSR3.subpart4 2022.CSR3.subpart1	Ensuring energy efficiency in the industrial sector	Opening of a call for tender for energy efficiency investments for the industry	Q2/2022	Completed
2019.CSR4.subpart1	Streamline governance of research, development and innovation	Policy Support Facility (PSF) Reform Implementation Unit established and operational	Q4/2021	Fulfilled
2019.CSR4.subpart1	Streamline governance of research, development and innovation	Entry into force of a Government Ordinance establishing a single body that encompasses the existing councils, ensures inter-ministerial coordination and reaches out to the private sector established and operational	Q2/2023	On track
2019.CSR4.subpart1	Reform of research career	Entry into force of legislation on the researcher's career and status	Q4/2023	On track
2019.CSR4.subpart1 2020.CSR3.subpart3	Enhanced cooperation between business and research	Entry into force of legislative amendments for a favourable environment for public and private investment in research, development and innovation	Q1/2024	On track
2019.CSR4.subpart1	Support to integrate the research, development and innovation organisations in Romania in the European Research Area	Entry into force of a law that encourages, facilitates and regulates the voluntary and functional integration and merger of research institutions in Romania	Q4/2022	Completed

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
2019.CSR4.subpart1 2020.CSR3.subpart5	Cross border and multi-country projects - Low Power Processors and Semiconductor Chips	Entry into force of the Government Decision allocating the necessary funding of EUR 500 million to provide support to the scale-up of the national capabilities up to the first industrial development and the participation or association in a multi-country project	Q2/2022	Completed
2019.CSR4.subpart1 2020.CSR3.subpart5	Cross border and multi-country projects - Low Power Processors and Semiconductor Chips	Entities selected for participation in the project	Q4/2022	Not completed
2019.CSR4.subpart1 2020.CSR3.subpart5	Cross border and multi-country projects - Low Power Processors and Semiconductor Chips	Entities in consortia participating to calls for projects by the Joint Undertaking of Essential Digital Technologies (KDT JU)	Q4/2022	Not completed
2019.CSR4.subpart1 2020.CSR3.subpart5	Cross border and multi-country projects - Low Power Processors and Semiconductor Chips	Contracts signed by the participating companies	Q3/2023	On track
2019.CSR4.subpart1 2020.CSR3.subpart3	Establishment and operationalisation of Competence Centres	Establishment of 5 Centres of Competence	Q4/2022	Completed
2019.CSR4.subpart1	Strengthening excellence and supporting Romania's participation in partnerships and missions in Horizon Europe	Number of research financing contracts signed	Q4/2023	On track
2019.CSR4.subpart1	Development of a programme to attract the highly specialised human resource from abroad in research, development and innovation activities	Projects led by international researchers financed	Q4/2023	On track
2019.CSR4.subpart1	Support for the holders of certificates of excellence received in the Marie Skłodowska Curie	Marie Skłodowska Curie recipients of Seal of Excellence	Q4/2023	On track

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
	Individual Fellowship Award			
2019.CSR4.subpart1	Establishment and financial support of a national network of eight regional career guidance centres as part of the European Research Area Talent Platform	A network of public universities which are hosting and making operational 8 centres for research career orientation	Q2/2023	On track
2019.CSR4.subpart1 2020.CSR3.subpart4	Sustainable urban mobility	Signature of contracts for the renewal of public transport fleets (procurement of clean vehicles)	Q4/2022	Completed
2019.CSR4.subpart1 2020.CSR3.subpart4	Sustainable urban mobility	Signature of contracts for the provision of ITS/other ICT infrastructure	Q4/2022	Completed
2019.CSR4.subpart1 2020.CSR3.subpart4	Sustainable urban mobility	Signature of contracts for building electric vehicle recharging points	Q4/2022	Completed
2019.CSR4.subpart1 2020.CSR3.subpart4	Sustainable urban mobility	Signature of contracts for investments in cycling infrastructure at local/metropolitan level	Q4/2022	Completed
2019.CSR4.subpart1 2020.CSR3.subpart4	Framework for the operationalisation of cycling routes at national level	Entry into force of the regulatory framework on cycling tourism	Q1/2022	Completed
2019.CSR4.subpart1 2020.CSR3.subpart4	Framework for the operationalisation of cycling routes at national level	National Coordination Centre Velo Routes established and operational	Q2/2022	Completed
2019.CSR4.subpart1 2020.CSR3.subpart4	Framework for the operationalisation of cycling routes at national level	Comprehensive study on the territorial distribution of national cycling routes	Q3/2022	Completed
2019.CSR4.subpart1 2020.CSR2.subpart6	Promotion of the 12 touristic/cultural routes	Sites that shall be included in the cultural routes	Q1/2022	Completed
2019.CSR4.subpart1 2020.CSR2.subpart6	Promotion of the 12 touristic/cultural routes	Signature of the contracts for the promotion of the 12 routes	Q1/2023	Completed
2019.CSR4.subpart1 2020.CSR2.subpart6	Promotion of the 12 touristic/cultural routes	Opening of the 12 cultural routes	Q1/2024	On track
2019.CSR4.subpart1 2020.CSR2.subpart6	Promotion of the 12 touristic/cultural routes	Signature of the contracts for the restoration/ renovation works for the sites included in the 12	Q1/2023	Not completed

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
		cultural routes		
2019.CSR4.subpart1 2020.CSR2.subpart6	Modernisation/creation of museums and memorials	Signature of the contracts for the building works of the museums	Q1/2023	Not completed
2019.CSR4.subpart1 2020.CSR3.subpart5	Establishment and operationalisation of the Velo National Coordination Centre	Integrated National eVelo Platform and smartphone application	Q3/2022	Completed
2019.CSR4.subpart1 2020.CSR3.subpart4	Implementation of 3 000 km of cycling routes	Signature of the contracts for cycling routes	Q4/2022	Completed
2019.CSR4.subpart1 2020.CSR3.subpart5	Development of a digital system for cultural funding processes	Platforms and digital systems operationalised	Q3/2023	On track
2019.CSR4.subpart2 2020.CSR3.subpart5 2020.CSR3.subpart2	Improving the budgetary programming mechanism	Entry into force of the government decision for the approval of the methodology for drawing up, monitoring and reporting of the budgetary programmes	Q2/2022	Completed
2019.CSR4.subpart2 2020.CSR3.subpart5 2020.CSR3.subpart2	Improving the budgetary programming mechanism	Completion of the spending review in health and education sectors	Q2/2023	On track
2019.CSR4.subpart2 2020.CSR3.subpart5 2020.CSR3.subpart2	Improving the budgetary programming mechanism	Adoption of a multi-annual strategy and calendar for a systematic expenditure review across all sectors	Q2/2023	On track
2019.CSR4.subpart2 2020.CSR3.subpart5 2020.CSR3.subpart2	Improving the budgetary programming mechanism	The draft budget includes the results of spending analyses in the areas of health and education	Q4/2023	On track
2019.CSR5.subpart1 2019.CSR4.subpart2 2020.CSR4.subpart2	Strengthening coordination at the centre of government through an integrated and coherent approach to climate change and sustainable development initiatives	Operationalisation of an Inter-Institutional Climate Committee	Q2/2022	Completed
2019.CSR4.subpart2 2020.CSR3.subpart6 2020.CSR3.subpart4	Afforestation and reforestation national campaign, including urban forests	New areas of afforested or reforested land	Q4/2023	On track

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
2019.CSR4.subpart2 2020.CSR3.subpart6 2020.CSR3.subpart4	Afforestation and reforestation national campaign, including urban forests	New areas of urban forests created	Q4/2023	On track
2019.CSR4.subpart2 2020.CSR3.subpart6	Improving waste management governance to accelerate the transition to the circular economy	The adoption of the National Circular Economy Strategy	Q3/2022	Completed
2019.CSR4.subpart2 2020.CSR3.subpart6	Improving waste management governance to accelerate the transition to the circular economy	The adoption of the Action Plan for the National Circular Economy Strategy	Q3/2023	On track
2019.CSR4.subpart2 2020.CSR3.subpart6	Improving waste management governance to accelerate the transition to the circular economy	Entry into force of the legislative acts necessary for an operationalisation of a unitary waste management in accordance with the National Waste Management Plan	Q3/2022	Completed
2019.CSR4.subpart2 2020.CSR3.subpart5 2020.CSR3.subpart2	Improving the budgetary programming mechanism	Update of the IT application BUGET_NG.	Q4/2023	On track
2019.CSR4.subpart2 2020.CSR3.subpart5 2020.CSR3.subpart2	Improving the budgetary programming mechanism	Entry into force of the amended regulatory framework to ensure multi-annual budgetary planning for the significant public investment projects and have an ex-post evaluation of expenditure reviews made by the Fiscal Council	Q4/2022	Completed
2019.CSR4.subpart3 2020.CSR3.subpart5	Implementation of the eForms electronic forms in public procurement	Implementation of electronic national forms in public procurement procedures in line with EU legislation	Q2/2023	On track
2019.CSR4.subpart3	Reforming the national procurement system	Entry into force of the amendment of national legislation on remedies (Law No 101/2016)	Q1/2022	Completed
2019.CSR4.subpart3	Reforming the national procurement system	Entry into force of the Public Procurement Strategy including horizontal measures to support the	Q2/2023	On track

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
		implementation of the national recovery and resilience plan		
2019.CSR4.subpart3	Reforming the national procurement system	Specialised training in the field of public procurement provided	Q4/2023	On track
2019.CSR4.subpart3	Reforming the national procurement system	The Public Procurement Electronic System (SEAP) system is interconnected and interoperable with other databases	Q4/2023	On track
2019.CSR5.subpart1 2020.CSR4.subpart2	Enhancing the predictability and efficiency of decision-making processes by strengthening the capacity for policy coordination and impact analysis at the level of the government and coordinating ministries, as well as by strengthening the tools to increase the quality of public consultations at all levels of the administration	Entry into force of the methodologies and procedures to improve public policy rationale and planning and administrative simplification	Q1/2022	Completed
2019.CSR5.subpart1 2020.CSR4.subpart2	Enhancing the predictability and efficiency of decision-making processes by strengthening the capacity for policy coordination and impact analysis at the level of the government and coordinating ministries, as well as by strengthening the tools to increase the quality of public consultations at all levels of the administration	A new strategic management and strategic planning system is operational in all ministries	Q2/2023	On track

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
2019.CSR5.subpart1 2020.CSR4.subpart2	Enhancing the predictability and efficiency of decision-making processes by strengthening the capacity for policy coordination and impact analysis at the level of the government and coordinating ministries, as well as by strengthening the tools to increase the quality of public consultations at all levels of the administration	Entry into force of a legislative act operationalising a structure to ensure the implementation of an effective regulatory quality control mechanism	Q1/2022	Completed
2019.CSR5.subpart1 2020.CSR4.subpart2	Enhancing the predictability and efficiency of decision-making processes by strengthening the capacity for policy coordination and impact analysis at the level of the government and coordinating ministries, as well as by strengthening the tools to increase the quality of public consultations at all levels of the administration	Entry into force of guidelines for appropriate use and enforcement of the Single Register of Interest Transparency (RUTI)	Q3/2022	Completed
2019.CSR5.subpart1 2020.CSR4.subpart2	Enhancing the predictability and efficiency of decision-making processes by strengthening the capacity for policy coordination and impact analysis at the level of the government and coordinating ministries, as well as by strengthening the tools to increase the quality of public consultations at all levels of the administration	Entry into force of the Methodology for the use of Emergency Ordinances	Q3/2022	Completed

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
2019.CSR5.subpart1 2020.CSR4.subpart2	Enhancing the predictability and efficiency of decision-making processes by strengthening the capacity for policy coordination and impact analysis at the level of the government and coordinating ministries, as well as by strengthening the tools to increase the quality of public consultations at all levels of the administration	Entry into force of the legislative amendments to ensure publication of the full text of the laws after amendments	Q4/2022	Completed
2019.CSR5.subpart1 2020.CSR4.subpart2 2020.CSR4.subpart1	Ensuring the independence of the judiciary, enhancing its quality and efficiency	Entry into force of the government decision approving the strategy for the development of the judiciary 2022-2025	Q1/2022	Completed
2019.CSR5.subpart1 2020.CSR4.subpart2 2020.CSR4.subpart1	Ensuring the independence of the judiciary, enhancing its quality and efficiency	Entry into force of the law amending the powers of the National Agency for the Management of Seized Assets	Q2/2022	Completed
2019.CSR5.subpart1 2020.CSR4.subpart2 2020.CSR4.subpart1	Ensuring the independence of the judiciary, enhancing its quality and efficiency	Entry into force of the “Justice laws” (laws on the status of magistrates, judicial organisation, Superior Council of Magistracy)	Q2/2023	Completed
2019.CSR5.subpart1 2020.CSR4.subpart2 2020.CSR4.subpart1	Ensuring the independence of the judiciary, enhancing its quality and efficiency	Amendment of the Criminal Code and Criminal Procedure Code	Q4/2022	Not completed
2019.CSR5.subpart1 2020.CSR4.subpart2	Stepping up the fight against corruption	Entry into force of the government decision approving new National Anti-Corruption Strategy	Q4/2021	Fulfilled
2019.CSR5.subpart1 2020.CSR4.subpart2	Stepping up the fight against corruption	Occupation rate of 85% of National Anti-Corruption Directorate prosecutor positions attained	Q2/2023	On track
2019.CSR5.subpart1 2020.CSR4.subpart2	Stepping up the fight against corruption	Entry into force of the law on whistle-blowers’ protection	Q4/2022	Completed

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
2019.CSR5.subpart1 2020.CSR4.subpart2	Monitoring and implementation of the plan	Audit and Controls: information for monitoring implementation of the recovery and resilience plan	Q4/2021	Fulfilled
2019.CSR5.subpart1 2020.CSR4.subpart2	Monitoring and implementation of the plan	Entry into force of a Government Ordinance enacting the legal mandate of the Ministry of Investments and European Project (MIPE), Ministry of Finance (MoF) and the Audit Authority (AA)	Q4/2021	Fulfilled
2019.CSR5.subpart1 2020.CSR3.subpart5 2020.CSR4.subpart1 2020.CSR4.subpart2	Legislative transparency, de-bureaucratisation and procedural simplification for business	Entry into force of legislative amendments to streamline, simplify and fully digitise business related procedures	Q3/2022	Completed
2019.CSR5.subpart1 2020.CSR3.subpart5 2020.CSR4.subpart1 2020.CSR4.subpart2	Legislative transparency, de-bureaucratisation and procedural simplification for business	Entry into force of legislative amendments to simplify and make the conduct of the SME test transparent and applicable	Q1/2023	Completed
2019.CSR5.subpart1 2020.CSR3.subpart5 2020.CSR4.subpart1 2020.CSR4.subpart2	Legislative transparency, de-bureaucratisation and procedural simplification for business	Entry into force of the law "Single Industrial Licence"	Q4/2022	Completed
2019.CSR5.subpart1 2020.CSR3.subpart5 2020.CSR4.subpart1 2020.CSR4.subpart2	Digital platforms on legislative transparency, de-bureaucratisation and procedural simplification for business	Digital platforms set-up, connected to a single electronic point of contact and fully operational	Q4/2023	On track
2019.CSR5.subpart2	Performance-based quality management in transport - Improving institutional capacity and corporate governance	Entry into force of the Law No 50/2021 for the approval of the Emergency Ordinance No 55/2016 on the reorganization of the National Company of Highways and National Roads in Romania - S.A. (C.N.A.I.R.) and the establishment of the National Road Investment Company - S.A. (C.N.I.R.)	Q2/2021	Fulfilled
2019.CSR5.subpart2	Performance-based quality management in transport -	Selection and appointment of members of the Board	Q4/2022	Completed

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
	Improving institutional capacity and corporate governance	of Directors of C.N.A.I.R., C.N.I.R, C.F.R., Metrorex, C.F.R. Calatori.		
2019.CSR5.subpart2	Performance-based quality management in transport - Improving institutional capacity and corporate governance	Implementation of the main recommendations to increase the financial and operational performance of C.N.A.I.R., C.N.I.R., C.F.R., C.F.R. Calatori and Metrorex	Q2/2023	On track
2019.CSR5.subpart2	Improving corporate governance of state-owned enterprises in the energy sector	Listing of at least 15% shares of Hidroelectrica completed	Q2/2023	On track
2019.CSR5.subpart2 2022.CSR3.subpart1	Green budgeting	Improving corporate governance of State-owned companies in the energy sector	Q4/2022	Not completed
2019.CSR5.subpart2 2022.CSR3.subpart1	Green budgeting	Finalising and applying a green budgetary planning methodology	Q3/2023	On track
2019.CSR5.subpart2	Improve the procedural framework for the implementation of corporate governance principles in state-owned enterprises	Entry into force of updated legislation for state-owned companies	Q4/2022	Not completed
2019.CSR5.subpart2	Improve the procedural framework for the implementation of corporate governance principles in state-owned enterprises	Operationalisation of the task force at the Centre of the Government for Corporate Governance Policy Coordination and Monitoring	Q4/2022	Not completed
2019.CSR5.subpart2	Improve the procedural framework for the implementation of corporate governance principles in state-owned enterprises	Publication of the Monitoring Dashboard with financial and non-financial targets and performance indicators for all categories of public companies (including key sectors such as transport, energy, public utilities)	Q2/2023	On track
2019.CSR5.subpart2	Improve the procedural framework for the implementation of corporate governance	Reduction of interim/temporary management board appointments by 50% for state-owned companies at central	Q4/2023	On track

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
	principles in state-owned enterprises	level		
2019.CSR5.subpart2	Improve the procedural framework for the implementation of corporate governance principles in state-owned enterprises	Reduction of interim/temporary management board appointments by 10% for state-owned companies at local level	Q4/2023	On track
2020.CSR4.subpart1 2020.CSR4.subpart2 2020.CSR1.subpart1	Creating the framework for sustainable urban transformation - Romania's Urban Policy	Entry into force of the Metropolitan Areas Act	Q2/2022	Completed
2020.CSR4.subpart1 2020.CSR4.subpart2 2020.CSR1.subpart1	Creating the framework for sustainable urban transformation - Romania's Urban Policy	Entry into force of the Government Decision establishing the Romanian Urban Policy Framework	Q4/2022	Completed
2020.CSR4.subpart1 2020.CSR4.subpart2 2020.CSR2.subpart6	Creating the policy framework for sustainable rural transformation: establishing administrative consortia in functional rural areas	Entry into force of the legislative act amending the Administrative Code and establishing of administrative consortia in neighbouring rural or predominantly rural administrative territorial units, existing as functional rural areas	Q4/2022	Completed
2020.CSR3.subpart1 2020.CSR3.subpart3	Financial instruments for the private sector - Portfolio guarantee for resilience	Signature of the contribution agreement between the European Commission and the Romanian Government	Q4/2021	Fulfilled
2020.CSR3.subpart1 2020.CSR3.subpart3	Financial instruments for the private sector - Portfolio guarantee for resilience	Finance or investment operations amounting to at least 50% of the total amount of resources allocated to the instrument approved by the InvestEU Investment Committee	Q2/2023	On track
2020.CSR3.subpart1 2020.CSR3.subpart3 2022.CSR3.subpart4	Financial instruments for the private sector - Climate Action Portfolio Guarantee	Signature of the contribution agreement between the European Commission and the Romanian Government	Q4/2021	Fulfilled

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
2020.CSR3.subpart1 2020.CSR3.subpart3 2022.CSR3.subpart4	Financial instruments for the private sector - Climate Action Portfolio Guarantee	Finance or investment operations amounting to at least 50% of the total amount of resources allocated to the instrument, approved by the InvestEU Investment Committee	Q2/2023	On track
2020.CSR3.subpart1 2020.CSR3.subpart3 2022.CSR3.subpart4	Financial instruments for the private sector - Recovery Venture Capital Fund	Signature of the financing agreement between the European Investment Fund and the Romanian Government for the creation of the Recovery Risk Capital Fund (“the Fund”) and adoption of the investment policy of the Fund	Q4/2021	Fulfilled
2020.CSR3.subpart1 2020.CSR3.subpart3	Financial instruments for the private sector - Fund of funds for digitisation, climate action, and other areas of interest	Establishment of the financial instrument (“the Fund”), and adoption of the investment policy of the Fund	Q1/2022	Completed
2020.CSR3.subpart1 2020.CSR3.subpart3 2020.CSR3.subpart6 2022.CSR3.subpart4 2022.CSR3.subpart1	Financial instruments for the private sector - Energy efficiency investment in the residential and buildings sector	Signature of the contribution agreement between the European Commission and the Romanian Government	Q4/2021	Fulfilled
2020.CSR3.subpart1 2020.CSR3.subpart3 2020.CSR3.subpart6 2022.CSR3.subpart4 2022.CSR3.subpart1	Financial instruments for the private sector - Energy efficiency investment in the residential and buildings sector	Finance or investment operations amounting to at least 50% of the total amount of finance or investment targeted, approved by the InvestEU Investment Committee	Q2/2023	On track
2020.CSR3.subpart1 2020.CSR3.subpart3	Private sector aid schemes - Aid scheme for the digitalisation of SMEs	Selection of the scheme administrator	Q1/2022	Completed
2020.CSR3.subpart1 2020.CSR3.subpart3	Private sector aid schemes - De minimis scheme to assist Romanian firms in listing on the stock exchange	Selection of the scheme administrator	Q3/2022	Completed

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
2020.CSR3.subpart4 2020.CSR4.subpart1 2020.CSR4.subpart2	Creating the framework for sustainable urban mobility	Entry into force of legislation in the field of sustainable urban mobility	Q4/2022	Not completed
2020.CSR3.subpart4 2020.CSR4.subpart1 2020.CSR4.subpart2	Creating the framework for sustainable urban mobility	Entry into force of the ministerial order establishing a structure for the provision of technical assistance for the development of Sustainable Urban Mobility Plans (SUMP) established and operational	Q4/2022	Completed
2020.CSR3.subpart5 2020.CSR3.subpart4 2020.CSR4.subpart1	Development/updating in GIS format of spatial planning and urban planning documents	Signature of contracts for the development/updating of spatial planning, urban planning and sustainable urban mobility plans documentation	Q4/2022	Completed
2020.CSR3.subpart4	Strategic, legislative and procedural framework to support seismic resilience of the buildings stock	Adoption and implementation of the National Seismic Risk Reduction strategy for the seismic retrofitting the existing building stock	Q4/2022	Completed
2020.CSR3.subpart4	Strategic, legislative and procedural framework to support seismic resilience of the buildings stock	Entry into force of the new law on seismic risk reduction of buildings	Q4/2022	Completed
2020.CSR3.subpart4	Transition to the EU-2025 connectivity targets and stimulation of the private investment for the deployment of very high-capacity networks	Entry into force of the 5G network security law	Q2/2021	Fulfilled
2020.CSR3.subpart4	Transition to the EU-2025 connectivity targets and stimulation of the private investment for the deployment of very high-capacity networks	Publication of the call for tender for the authorisation of telecommunications operators to grant 5G licences	Q2/2022	Completed
2020.CSR3.subpart4	Transition to the EU-2025 connectivity targets and stimulation of	Recommendations from the EU connectivity toolbox are implemented	Q3/2022	Completed

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
	the private investment for the deployment of very high-capacity networks			
2020.CSR3.subpart4	Transition to the EU-2025 connectivity targets and stimulation of the private investment for the deployment of very high-capacity networks	Assignment of the rights of use of radio spectrum	Q3/2022	Completed
2020.CSR3.subpart5	Developing and implementing a unitary framework for defining the architecture of a government cloud system	Task-force to implement and monitor Digital Transformation reforms and investments established and operational	Q4/2021	Fulfilled
2020.CSR3.subpart5	Developing and implementing a unitary framework for defining the architecture of a government cloud system	Completed analysis for the options for the government cloud architecture	Q1/2022	Completed
2020.CSR3.subpart5	Developing and implementing a unitary framework for defining the architecture of a government cloud system	Entry into force of the law for the governance of cloud services for the government area	Q2/2022	Completed
2020.CSR3.subpart5	Developing and implementing a unitary framework for defining the architecture of a government cloud system	Entry into force of the interoperability law	Q2/2022	Completed
2020.CSR3.subpart5	Ensuring cybersecurity of public and private entities owning critical value infrastructure	Adoption of the National Cybersecurity Strategy 2021-2026	Q4/2021	Fulfilled
2020.CSR3.subpart5	Ensuring cybersecurity of public and private entities owning critical value infrastructure	Entry into force of the law on Defence and Cyber Security of Romania	Q4/2022	Completed
2020.CSR3.subpart5	Deployment of the Government Cloud Infrastructure	Signature of the contract to implement the investment based	Q2/2022	Completed

CSR subpart	Measure name	Milestone/Target name	Due date	Progress status in Fenix
		on the call for tenders procedure to implement the investment		
2020.CSR3.subpart5	Digitalisation of the judiciary	Virtualization and centralization of business applications operationalised	Q2/2023	On track
2020.CSR3.subpart5	Implementation of electronic customs	Upgraded hardware and software infrastructure	Q4/2022	Completed
2020.CSR3.subpart5	Implementation of electronic customs	Award of contract for new IT systems for customs	Q4/2023	On track
2020.CSR4.subpart1	Developing performance human resources management in the public sector	Ex-post analysis of the (pilot) national competition for the selection of two civil service categories in the central administration	Q2/2023	On track
2020.CSR4.subpart1	Developing performance human resources management in the public sector	Completion of at least two national civil servant recruitment competition annually for a minimum of 3 civil service categories/grades	Q4/2023	On track
2020.CSR4.subpart1	Developing of a fair unitary pay system in the public sector	Entry into force of the new legal framework on remuneration of civil servants (Law on Unitarian Pay)	Q2/2023	On track
2020.CSR4.subpart1 2020.CSR4.subpart2 2022.CSR3.subpart4	Development of the planning system - Code of Spatial Planning, Urbanism and Construction	Entry into force of the Code of Spatial Planning, Urban Planning and Construction	Q1/2023	Not completed
2020.CSR4.subpart1 2020.CSR4.subpart2 2022.CSR3.subpart4	Development of the planning system - Code of Spatial Planning, Urbanism and Construction	Entry into operation of the interoperable urban digital data platform (as part of the Territorial Observatory)	Q2/2023	On track

REPORTING ON THE IMPLEMENTATION OF EUROPEAN PILLAR OF SOCIAL RIGHTS

Pillar principle	Main measures	Estimated impact (qualitative and/ or quantitative)
1. Education, training and lifelong learning	<p>Development of the early education and care (ECEC) services (for children aged 0-6 years) to increase the access to and participation in the ECEC</p> <p>Preventing and combating school segregation by developing and implementing an effective model of local and regional governance in pre-university education and improving the equity of the education system.</p> <ul style="list-style-type: none"> The methodology for 	<p>A better integration of children in primary education, as well as creating the preconditions for future school attainment and substantiating personal development, by increasing access to and participation in unitary, inclusive and quality early education shall be achieved by:</p> <ul style="list-style-type: none"> Building, equipping and making operational 110 nurseries, with a capacity between 50 and 110 places (hosting 2, 3 or 5 pre-school groups), for a maximum number of 4,500 children (budget: 230 million euro through NRRP); Conceptualising and implementing complementary services (e.g. a toy library, a play-based centre, a multifunctional centre etc.). Each complementary service should be able to provide educational support to up to 50 children aged 0-6 years. <p>The call for projects for "Development of complementary early childhood education and care services" (allocation of 103 million euro through NRRP) was launched. Within the call for projects, projects that will be implemented in isolated, economically disadvantaged rural communities or that target vulnerable groups of children are prioritized. The maximum amount of the grant per project is 250 thousand euro. In this respect, the National Education Law was amended and the Methodology for the organization and operation of complementary early childhood education and care services was adopted. On 7 April 2023, the call for projects was closed, 100 applications being submitted that will be evaluated.</p> <p>Reducing the number of school segregation cases and increasing equity in the education system.</p>

Pillar principle	Main measures	Estimated impact (qualitative and/ or quantitative)
	<p>monitoring school segregation in pre-university education, approved by OMEC 5633/2019;</p> <ul style="list-style-type: none"> The project Strengthening the management of the Romanian education system, by developing and implementing an efficient local and regional governance model in the pre-tertiary education system and enhancing the equity of the education system in Romania. 	
	<p>Ensuring the digitalisation of the educational system and the development of digital skills of pupils, students and teachers.</p> <p>Investments financed by NRRP:</p> <ul style="list-style-type: none"> Improving digital technology equipment for schools; Digitalisation of universities and their preparation for the digital professions of the future; Development of dual VET. 	<p>Setting the levels of digital skills for teachers and students through the <i>National Framework for the Digitalisation of Education</i> (provided in the strategic field <i>Digitalisation</i> within the <i>Educated Romania</i> Project).</p> <p>Modernisation of 5,200 informatics laboratories in smart IT laboratories; development of 1,100 school technological hubs as Smart labs; fitting 909 VET schools with digital infrastructures for teaching and digital teaching tools.</p> <p>Improving digital infrastructure and developing the competencies of students and university teaching staff.</p> <p>61 financing agreements were concluded with the public and private universities selected for financing, totalling 213.47 million Euro. The agreements for the public universities and private beneficiaries of the Grant are under implementation as from 14 October 2022 and until Q4/2025. Help-desk activities, guidance and counselling for beneficiaries are supported and project-monitoring activities are being carried out.</p> <p>Development of 10 regional consortia and the development and endowment of 10 integrated professional campuses Professional campuses will be built by 20 September 2025, and the dual education consortia will operate at full capacity by 31 March 2026. The evaluation stage of the funding applications submitted under this milestone is underway. 29 applications totalling roughly 550 million euro were submitted.</p>
	Providing environmentally	Ensuring environmentally friendly standards in

Pillar principle	Main measures	Estimated impact (qualitative and/ or quantitative)
	friendly, safety and quality standards in pre-university and university educational establishments	<p>terms of design, construction and equipping in the pre-university education, by updating the relevant legislative framework.</p> <p>The Framework Methodology on the organisation and operations of “green schools” was approved by OMed No 4,147 of 29 June 2022.</p> <p>(Re)construction or modernization of at least 55 schools in seismic hazard by implementing the project Romania Safer, Inclusive and Sustainable Schools (implementation period: 6 years, budget: 100 million euro - loan from IBRD), through which schools at risk are supported to meet the requirements of modern infrastructure and functionality in terms of safety, resilience, inclusion, and sustainability. Procurement procedures for design services for the 23 schools in the first batch have been launched: design agreements for eight schools were signed in February 2023, and for the remaining 15 educational establishments the bidding procedure for design services was relaunched in March 2023.</p>
	Reforming the governance of pre-university education and professionalization of its management, with increased school autonomy	<p>Reforming governance in education, through NRRP, by implementing a set of measures, including a training and mentoring programme for school managers and inspectors, Thus, there will be:</p> <ul style="list-style-type: none"> • reviewed the ongoing pre-university education governance; • made recommendations and an Action plan to improve pre-university education governance; • provided guidance for the design of the training and coaching programme for school managers and inspectors.
	Ensuring access to education for pupils and students from disadvantaged groups	<p>MEd’s social programmes continue and expand as follows:</p> <ul style="list-style-type: none"> • National social protection programme <i>Money for high school</i> In the 2021-2022 school year, the number of beneficiary students was 22,853, and in the 2022-2023 school year, the number of beneficiaries is 20,509. Thus, the expenses supported by the MEd budget totalled 47.21 million lei in 2021 and 41.83 million lei in 2022. • The <i>Euro 200</i> programme to support pupils and students with poor financial resources to purchase computers. In 2021, the number of beneficiary pupils and students was 2,150, and an amount of 1.95 million lei was spent, while the budget allocated for 2022 amounted to 1.75 million lei. • The <i>Hot meal</i> programme to provide food

Pillar principle	Main measures	Estimated impact (qualitative and/ or quantitative)
		<p>support for pre-schoolers, pupils, and students was extended to 450 state pre-university educational establishments. In the 2022-2023 school year, pre-schoolers, pupils and students enrolled in public pre-university education receive a free hot meal or a food package, up to the amount of 15 lei/day/beneficiary. In 2022, the amount of 147 million lei was allocated for the programme, and for 2023 the amount of 266 million lei was earmarked. The main goal of the programme is to reduce the school dropout rate and ensure a fair and non-discriminatory access to education for all pre-schoolers, pupils and students in Romania.</p> <ul style="list-style-type: none"> • The Vocational Scholarship programme addresses all students attending VET and consists of a monthly financial support of 200 lei, which also benefit the children of foreign citizens who are beneficiaries of a form of protection in Romania or children of foreign citizens with the right of stay/residence on the territory of Romania, and who attend VET education. In the 2021-2022 school year, 99,342 students benefited from professional scholarships totalling 129.32 million lei and for the 2022-2023 school year the amount of 128.6 million lei was earmarked. • Social aid scholarships/grants In 2021, the Government of Romania established an increased amount of scholarships that will be awarded to students in the 2021-2022 school year, differentiated, for the first time, according to the scholarship category, as follows: 500 lei for the performance scholarship, 200 lei for merit and social scholarships and 150 lei for study scholarships. • Romania's programme for schools grants free fresh fruits and vegetables, milk and dairy products and bakery for preschool students in state-authorized/accredited and private accredited kindergartens with a normal program of 4 hours, but also for students in state and private primary and secondary education. For the 2021-2022 school year, the amount allocated reached 501.55 million lei. The total number of preschool primary and secondary students, beneficiaries of this programme is 1,903,851. For the 2022-2023 school year, the amount of 562.85 million lei was earmarked for this programme. • Students transport

Pillar principle	Main measures	Estimated impact (qualitative and/ or quantitative)
		<p>Students who cannot be schooled in their place of residence are reimbursed for the transport costs between their place of residence and the place where they are schooled, for the duration of school courses. By GEO No 159/2022, a lump sum was introduced for commuter students, this representing a significant increase of the amount previously granted for the transport of students schooled in a locality other than the one of residence. The expenses incurred from the MEd budget for the transportation of students in 2022 amounted to 58.18 million lei. With regard to the expenses for student transportation, the amount allocated from the MEd budget was 24.53 million lei in 2022 (the same as in 2021).</p> <ul style="list-style-type: none"> • School supplies is a programme targeting the pupils and students enrolled in public primary and secondary education, day courses to whom there are allotted school supplies packages specific to each grade. In the 2021-2022 school year, the number of beneficiaries was 258,356. For 2022, the expenses from the MEd budget amounted to 2.69 million lei. By OMed No 3.783/03.03.2023, the maximum price of the school supplies packages granted to students in the amount of 65 lei/ package/ pupil in primary education and 75 lei/ package/ student in secondary education was approved. • Providing educational support based on social vouchers on electronic support. Through these vouchers, beneficiaries are offered the possibility of choosing school supplies for children who attend school. The programme is implemented during two school years and the total number of beneficiaries for whom vouchers totalling 500 lei each were issued has reached 405,000 (children/students) enrolled in 13,376 educational establishments. • National Programme for Reducing School Dropout (PNRAS) aims at reducing school dropout in at least 25% of educational establishments participating in PNRAS, improving the results obtained by students in national assessments and increasing the percentage of students who complete secondary education, increasing the participation rate of secondary school graduates in the national assessment for the graduates of the 8th grade and transition rate of students from lower secondary education - gymnasium to upper

Pillar principle	Main measures	Estimated impact (qualitative and/ or quantitative)
	<p>secondary education - high school or VET education - the programme is ongoing.</p> <p>Job related training programmes (ESF funding) including the acquisition of digital skills</p>	<p>Programmes were delivered to 20,886 employees and 11,992 SMEs were supported.</p>
2. Gender equality	<p>Measures that meet this cross-cutting principle are included in principles 1, 4, 5, 6, 9 11, 12, 13, 14, 15, 16, 17, 18, 20. Implementing the 2022–2027 National Strategy on promoting equal opportunities and treatment between women and men and preventing and combating domestic violence (GD No 1547/2022)</p>	<p>Ensuring the rights and promoting the professional, economic and social interests of all persons.</p> <p>Preventing and combating gender stereotypes and biases and ensuring equal opportunities between women and men on education, health, labour market, participation in public and political life; Eliminating all forms of domestic violence and violence against women in the public and private life.</p>
3. Equal opportunities	<p>Measures that meet this cross-cutting principle are included in principles 1, 4, 5, 6, 9 11, 12, 14, 15, 16, 17, 18, 20</p>	<p>Ensuring the rights and promoting the professional, economic and social interests of all persons.</p>
4. Active support to employment	<p>2022 National Employment Programme (UIB)</p> <p>Integration into the labour market of jobseeker and inactive people (ESF funding)</p> <p>Improving the labour market participation of young NEETs (ESF)</p> <p>Implementing the provisions of GEO No 33/2022 amending and supplementing the Law No 219/2015 on social economy (reform under NRRP)</p> <p>Diversification of the local economy in rural areas (investments financed by EAFRD)</p>	<p>In the period 1 January - 31 December 2022, 215,948 people entered the labour market, of whom 68,899 profiled as “hard to employ” and 24,477 as “very hard to employ”; in terms of gender structure, out of the employed persons, 102,598 persons were women and 113,350 were men.</p> <p>Measure was delivered to 160,273 beneficiaries.</p> <p>3,783 unemployed young NEETs aged 16-29 years benefit by measures to return to education by second chance programmes; 61,731 unemployed young NEETs aged 16-29 years benefit by support</p> <p>Development of the social economy sector and local communities by creating new jobs; promoting employment alternatives meeting the needs of vulnerable groups and marginalized communities, and a better utilization of the workforce.</p> <p>Creation of 5,775 new jobs through measures aiming at establishing non-agricultural businesses in rural areas and developing non-agricultural businesses by the existing enterprises/farms. Setting up 13,977 young farmers was supported, and 33,594 small farms were financed</p>
5. Secure and adaptable employment	<p>Implementing the provisions of GEO No 117/2021 amending and supplementing the Law No 53/2003 - Labour Code -</p>	<p>Ensuring the social protection of employees in accordance with the principles governing the employment relationships and supporting employees to benefit by due pay rights.</p>

Pillar principle	Main measures	Estimated impact (qualitative and/ or quantitative)
	defining, combating and sanctioning the undeclared work; redefining and sanctioning the undeclared work	
6. Wages	<p>Implementing the provisions of GEO No 168/2022 on some fiscal and budgetary measures:</p> <ul style="list-style-type: none"> – As of January 2023, the amount of 200 lei/month, an income from wages and related salaries, has been not taxed and not included in the calculation of mandatory social contributions; – Between 1 January 2023 and 31 December 2028, for the construction sector, the minimum gross basic salary per country guaranteed for payment will be at least 4,000 lei per month. <p>Implementing the provisions of the Law No 135/2022 - during 1 June 2022 - 31 December 2028, the minimum gross salary in the agri-food sector will be 3,000 lei per month, including several tax exemptions of salaries.</p> <p>Implementing the provisions of GO No 16/2022 on amending and supplementing the Law No 227/2015 on Fiscal Code:</p> <ul style="list-style-type: none"> – Revising the system of granting personal deductions in the case of taxpayers whose earnings from salaries are up to 2,000 lei over the gross minimum basic salary; – Granting additional deductions to people younger than 26 whose salary is up to 2,000 lei over the gross minimum basic salary, and to people / parents with dependent children enrolled in the education system. 	<p>Promoting a decent standard of living, especially for people from socially vulnerable categories.</p> <p>Improving the degree of income adequacy, in the current national economic circumstances, in order to ensure the standard of living of employees.</p>
7. Information about employment conditions and protection in case of	<p>Implementing the provisions of Law No 53/2003 - Labour Code;</p> <p>Implementing the provisions of Law No 76/2002 on unemployment insurance system and employment</p>	<p>Ensuring the rights and promoting the professional, economic and social benefits of employees;</p> <p>Ensuring the social protection of people at risk of unemployment.</p>

Pillar principle	Main measures	Estimated impact (qualitative and/ or quantitative)
dismissals	stimulation.	
8. Social dialogue and involvement of workers	<ul style="list-style-type: none"> – Implementing the provision of the Law No 367/2022 on social dialogue (reform under NRRP); – GD No 171/2023 on establishing collective bargaining sectors and the related NACE codes (reform under NRRP); – Order No 798/2023 on approving the Procedure of classification within the collective bargaining sectors of entities defined according to Article 1, point 21 of the Law No 367/2022 on social dialogue. 	<p>Increasing the coverage rate of collective labour agreements in order to strengthen workers protection.</p> <p>Increasing the capacity of social partner organizations to attract and maintain members, to organize, train and participate in national and European social dialogue.</p> <p>Strengthening the legal framework for developing sectoral collective bargaining.</p>
9. Work-life balance	Implementing the provisions of GEO No 117/2022 on amending and supplementing the Law on parental leave No 210/1999.	Ensuring support and unrestricted access to these rights; Improving the participation in the labour market of all people and ensuring income to beneficiaries of these rights; Strengthening parental rights and providing better child care; Reducing stereotypes and gender differences in the context of working life and childcare.
10. Healthy, safe and well-adapted work environment and data protection	Implementing the provisions of Law No 319/2006 on safety and health at work.	Occupational risk prevention, protection of worker health and safety.
11. Childcare and support to children	<ul style="list-style-type: none"> – Development of the foster care network - transition from residential social services to the community-based services. – Implementing the provisions of the Law No 191/2022 on amending and supplementing the Law No 272/2004 on protecting and promoting child rights. – Implementing the Law No 273/2004 on the adoption procedure. – Adopting the draft Law on preventing the child separation from the family (reform under NRRP). – Establishing the National Child Observatory. – Deinstitutionalizing children 	<p>The total number of newly employed foster parents reached 3,372 who took/take care of 6,275 children, of whom 777 disabled children.</p> <p>Ensuring and guaranteeing children rights; Completing the deinstitutionalization process by closing the old institutions and creating a family environment for children.</p> <p>By 31 December 2022, 1,527 adoptions with final decisions were registered by the National Registry for Adoptions.</p> <p>Supporting families in order to raise and care of a child at risk of separation, promoting children well-being and integrating them into the community.</p> <p>Better identification, registration and monitoring children in difficult circumstances will allow the provision of integrated services targeting vulnerable children.</p> <p>In 2022, 34 placement centres for children</p>

Pillar principle	Main measures	Estimated impact (qualitative and/ or quantitative)
	<p>(investments financed under ROP, through own resources or by non-governmental organization support)</p> <ul style="list-style-type: none"> <li data-bbox="395 383 823 450">– Increasing the child state allowance <li data-bbox="395 757 823 1059">– Increasing the fostering allowance for children in the special protection system and updating the cost standards of social services which the State provides for raising and caring for children in the special protection system <li data-bbox="395 1099 823 1261">– Granting material aid to mothers with the most disadvantaged social and economic background (new-born kit). <li data-bbox="395 1339 823 1541">– Establishing a network of day care centres for children at risk of being separated from their families (investments financed under NRRP) 	<p>temporarily or permanently separated from their families were closed. As of 31 December 2022, 64 foster care centres accommodating 1,753 children have been under the closing procedure.</p> <p>In 2022, the average monthly number of beneficiaries was 3,597,888 children, out of whom 318,180 children under the age of two, with or without disabilities; 5,319 children aged 2-3 years, with disabilities; 3,127,323 children aged 2-18 years, without a disability, as well as young people over the age of 18; 71,282 children aged 3-18 years, with disabilities, 75,784 young people aged over 18 years.</p> <p>Improving the quality of life and ensuring the rise and care of children in the public residential protection system and in public day services.</p> <p>Alleviating the social exclusion of mother - new-born couples with the most disadvantaged social and economic background; reducing the risk of abandonment of new-borns from disadvantaged families.</p> <p>Preventing the child separation from his/her family and reducing the number of children separated from the family who enter the social protection system; creating about 150 social services to prevent the child separation from his/her family, out of which at least 10% should be in communities with a significant Roma population; the newly established centres will provide access to social support services for maximum 4,500 children.</p>
12. Social protection	Supporting some professionals whose activity was reduced caused by the pandemic (people who get an income from copyright and related rights, lawyers, co-operators, other professionals)	Incomes were provided to an average number of 23,854 beneficiaries (GEO No 132/2020); in 2022 the average number of beneficiaries was 12 beneficiaries according to GEO No 30/2020, 1,154 beneficiaries according to GEO No 111/2021, and 1,874 beneficiaries according to GEO No 2/2022.
13. Unemployment benefits	– Payment of an incentive amounting to 75% of the basic salary equivalent to the hours reduced from the working time, in the case of a reduction not more than	The measure (Kurzarbeit) had 39,417 beneficiaries in 2022.

Pillar principle	Main measures	Estimated impact (qualitative and/ or quantitative)
	<p>80% of the daily, monthly or weekly working time.</p> <ul style="list-style-type: none"> - Implementing the provision of the Law No 273/2022; as of 3 October 2022, for people with a contributory period of at least one year, the amount of the unemployment benefit is equal to the RSI value (by increasing the percentage from 75% to 100% of RSI value). 	<p>Improving the social protection and ensuring an adequate level of income for the beneficiaries.</p>
14. Minimum income	Means testing programmes	<p>Family support allowance paid to an average monthly number of 129,440 families; guaranteed minimum income paid to an average monthly number of 156,481 families or single persons; protection measures for the vulnerable energy consumer - during the cold season during January - December 2022, home heating aids (centralized heating system, natural gas, solid and/or oil fuels, electricity heating system) were granted to 882,745 beneficiaries (families and single persons); in order to cover a part of the household's energy consumption throughout the year; the energy supplement was granted to families and single persons.</p>
15. Old age income and pensions	<p>Granting a financial aid (paid in January and October 2023) to some vulnerable category of retirees - the retirees of the public pension system and the public military retirement system, as well as the beneficiaries of pension rights provided by special laws and paid by territorial/sectoral pension houses with monthly incomes less than or equal to 3,000 lei.</p>	<p>Reducing the risk of social exclusion in the current social and economic circumstances for certain vulnerable categories of retirees.</p>
16. Health care	<p>Increasing the accessibility and resilience of the health care system through investments financed from the Health Programme (related to the 2021-2027 MFF) and the Romanian NRRP, focussed on:</p> <ul style="list-style-type: none"> - Starting the implementation of the new National Strategy on Health 2023-2030, - Upgrading the health infrastructure and healthcare network at regional level, including by 	<p>Reducing/ eliminating inequalities in terms of access to quality healthcare and closing the gaps between urban and rural areas. Ensuring an adequate coverage of healthcare services, especially in the rural areas and marginalized communities.</p> <p>10 new hospitals built and equipped, including the regional emergency hospitals (Iasi, Cluj, Craiova) and another 20 small public hospitals built/rehabilitated and equipped; over 60 mobile health care facilities purchased; rehabilitating and equipping 300 family practitioners, over 100 school healthcare/dental health offices and 44</p>

Pillar principle	Main measures	Estimated impact (qualitative and/ or quantitative)
	<p>endowment of the family physicians' or family planning offices, as well as outpatient care facilities,</p> <ul style="list-style-type: none"> - Strengthening the institutional capacity to provide quality, safe medical services for patients, including by training/ upskilling of the medical staff, - Increasing the efficiency and financial sustainability of the health care system, - Decreasing the morbidity and mortality from communicable and non-communicable diseases, - Digitalisation of the health care system, including by rendering the telemedicine system operable, - Improving the access of the population (including from rural and disadvantaged areas) to basic healthcare, but also to prevention, early diagnosis and treatment services, - Granting financial support to integrated community centres to be built in marginalized rural and urban areas, - Reforming the public hospital healthcare system to increase the safety and quality of the health care procedures. 	<p>outpatient clinics, as well as other healthcare facilities specialized in paediatrics, heart diseases, tuberculosis, mental health, rare diseases, palliation, but also rehabilitation/recovery, etc. (HP);</p> <p>Improving the access of people from rural, disadvantaged and marginalized/remote areas to basic healthcare, including prevention, early diagnosis and treatment services by the rehabilitation and/or endowment of 3,000 family practitioners or associations of primary care facilities, giving priority to facilities located in marginalized regions and localities; 119 family planning practices will be equipped and/or rehabilitated; at least 30 outpatient care facilities will be modernized/ rehabilitated/ expanded and equipped (NRRP). Integration of the healthcare institutions through digital infrastructure and reducing the fragmentation and improving the quality of health data by digitalisation of 60 public health institutions, 200 public health care facilities and rendering the new PIAS (Health Insurance IT Platform) operational.</p> <p>Increasing the access of small rural and urban areas and vulnerable groups to the specialist consultations by implementing a telemedicine system accessible to a wide range of relevant healthcare providers, providing the opportunity to be widely implemented throughout the country, especially in rural and small urban areas (through NRRP).</p> <p>Provisioning of the basic medical and social services targeting exclusively the nearby population, with a focus on the vulnerable population: 200 newly built/renovated and equipped integrated community centres (through NRRP).</p>
17. Inclusion of people with disabilities	<ul style="list-style-type: none"> - Implementing the Law No 140/2022 on protection measures for people with intellectual, psychological, and social disabilities and the amendments of some laws. - Implementing the provisions of the Law No 7/2023 on supporting the deinstitutionalization process for the adult disabled people and implementing some measure to accelerate it and to prevent de 	<p>Combating social exclusion and discrimination and encouraging the active participation of protected persons in civil life or their social and economic (re)integration with beneficial outcomes, including on their health.</p> <ul style="list-style-type: none"> - By 30 June 2026, reducing the number of institutionalized disabled adults by 32% of the total number of people accommodated in the residential system at the end of 2020; - During 1 July 2026 - 31 December 2030, reducing the number of institutionalized disabled adults by 10% of the total number of people accommodated in the residential system on 30 June 2026.

Pillar principle	Main measures	Estimated impact (qualitative and/ or quantitative)
	<p>institutionalization</p> <ul style="list-style-type: none"> - Implementing the 2022–2030 National Strategy on preventing the institutionalization of adults with disabilities and accelerating the deinstitutionalization process <p>Deinstitutionalizing the adult people with disabilities:</p> <ul style="list-style-type: none"> - Rehabilitation, renovation and development of social infrastructure for people with disabilities (investments financed under NRRP) - Establishing social services such as day care centres and sheltered housing for disabled people (projects financed under ROP); - Establishing social services such as day care centres, respite centres / crisis centres and sheltered housing in order to deinstitutionalise the disabled persons accommodated in old institutions and to prevent the institutionalization of disabled persons from the community (NIP - investments financed by the State Budget) - Increasing the access to the labour market of the disabled people (the project - <i>Facilitating the labour market insertion of disabled people</i>) - Establishing the National Disability Management System - Granting a compensatory indemnity to disabled people 	<p>Accelerating the deinstitutionalization process in order to reduce the number of institutionalized adults with disabilities. The target is 10,349 institutionalized persons by the end of 2030.</p> <p>Ensuring a better life for people with disabilities by providing appropriate care services. By the end of 2022, 32 plans for restructuring the public residential centres with an accommodation capacity of more than 50 persons have been implemented, out of the 70 plans under implementation.</p> <p>Increasing the participation in the labour market and making jobs accessible to people with disabilities (2,243 vouchers issued; 4,505 disabled people were included in the target group; 700 people were employed).</p> <p>Facilitating the access of disabled people to their own file, improving the monitoring of the implemented measures and a better substantiation of the dedicated public policies.</p> <p>According to GEO No 168/2022, the allowance has been granted in January 2023, too. Its value has been 368 lei for an adult with a severe disability - 311,717 beneficiaries; 279 lei for an adult with an accentuated disability - 385,420 beneficiaries; 64 lei for an adult with</p>

Pillar principle	Main measures	Estimated impact (qualitative and/ or quantitative)
		a moderate disability - 67,447 beneficiaries; 316 lei for the severely disabled child - 45,704 beneficiaries; 184 lei for the child with an accentuated disability - 9,908 beneficiaries; 64 lei for the child with a moderate disability - 16,199 beneficiaries.
18. Long-term care	<ul style="list-style-type: none"> - Implementing the 2023-2023 National Strategy on Long-term Care and Active Ageing; - Implementing the provision of the Law No 355/2022 on amending and supplementing the Law No 17/2000 on social assistance of elder people; - Providing finance of the social services; - Developing social services for the elderly (GD No 435/2022) 	<p>Improvement of the social care system for the elderly by providing funding for home long-term care, for day centres and residential care, as well as the priority given to the community-based care.</p> <p>Ensuring the right to assistance and social services of the elderly to prevent their marginalization.</p> <p>In 2022, financial applications amounting to 33,578,757 lei were approved to public and private service providers for 97 residential centres, and subsidies amounting to 24,574,831 lei for an average number of 11,290 beneficiaries (Law No 34/1998).</p> <p>In 2022, through the National Interest Programmes financed from the State Budget, several applications (amounting to 36,385,395 lei) submitted by public and private providers were approved; 31 social services for 1,650 old people would be developed.</p>
19. Housing and assistance for the homeless	Implementing the 2022-2027 National Strategy on Social Inclusion of Homeless People, the Action Plan and the National Interest Programme.	Preventing and combating social exclusion of homeless people.
20. Access to essential services	<p>Protection measures for the vulnerable energy consumer.</p> <p>Support scheme for household consumers.</p>	<p>During the cold season November 2021 - March 2022, aids were granted to an average number of beneficiaries for the home heating: thermal energy - 32,583 beneficiaries; natural gas - 86,974 beneficiaries; electricity - 6,458 beneficiaries; wood - 756,730 beneficiaries; in order to cover a part of the household energy consumption throughout the year, the energy supplement was granted to an average number of beneficiaries, out of whom: thermal energy - 27,575 beneficiaries; natural gas - 95,484 beneficiaries; electricity - 179,358 beneficiaries; wood - 636,193 beneficiaries.</p> <p>According to GEO No 118/2021, MMSS compensated the invoices related to the electricity and natural gas consumption: for electricity - 7,633,993 CRC (Connection Residential Code) and for natural gas - 2,992,556 CRC; According to GEO No 27/2022,</p>

Pillar principle	Main measures	Estimated impact (qualitative and/ or quantitative)
	<p>Implementing GEO No 192/2002 on amending and supplementing GEO No 27/2022 on measures applicable to final customers of the electricity and natural gas market.</p> <p>Paying the energy voucher - a financial aid amounting to 1,400 lei financed under 2014-2020 HC OP and 2014-2020 ROP to compensate the energy prices for vulnerable people (GEO No 166/2022).</p> <p>Temporary interventions to establish the mechanism of centralized purchase of electricity (GEO No 153/2022).</p> <p>Developing the housing infrastructure to protect some vulnerable people:</p> <ul style="list-style-type: none"> - Housing programme for young people for rent; - Programme for social and emergency housing. <p>Construction of water supply and sewerage networks - NPLD - Stage II (2017-2024).</p> <p>Basic water supply infrastructure and water treatment plants, sewage and wastewater treatment plants, roads / access to roads and extension / connection to natural gas system - Anghel Saligny Programme.</p> <p>Building, modernizing and expanding all types of basic</p>	<p>MMSS compensated amounts related to capping the electricity prices - 7,004,461 CRC, and natural gas prices - 3,059,094 CRC.</p> <p>Ensuring an equal and non-discriminatory treatment for two categories of household consumers - owners and tenants - who have the right to benefit by a capped price of electricity and reducing the energy poverty of some vulnerable household customers.</p> <p>About 1.7 million households received the energy card, with over 225,000 payments made, exceeding 71 million lei.</p> <p>Alleviate the economic and social outcomes caused by the increase in energy prices, reduce the energy poverty and avoid a standstill of the economic activities, ensure a rigorous discipline of the energy market and an adequate level of protection of citizens.</p> <p>- 66 investment objectives for 2,076 housing units are under construction on 1 January 2023 - 91 investment objectives financed in 2022 for 4,190 housing units; 72 investment objectives amounting to 3,264 housing units transferred to 2023 - 2026 period in order to ensure the building finishing according to the committed credits approved by Order of Ministry of Local Development and Public Administration</p> <p>Improving the quality of life of citizens through the construction of around 4,500 km of water supply network and 3,500 km of sewerage network.</p> <p>Increasing the access of the population, especially in remote areas and underdeveloped communities, to essential services at quality and safety standards that improve their living conditions. For water supply, sewerage, roads and bridges, financing was allocated for 4,680 investment objectives in 3,140 territorial administrative divisions. Out of these, 1,677 objectives finance water supply and sewage systems, other 3,003 investment objectives finance roads and bridges. In 2022, 258 contracts amounting to 2.66 billion lei were signed.</p> <p>Increasing the life quality of population in rural areas through construction/ modernization of</p>

Pillar principle	Main measures	Estimated impact (qualitative and/ or quantitative)
	infrastructure in rural areas (financed under EAFRD).	317 kindergartens/ nurseries and upper secondary agricultural educational institutions; construction/ extension/ modernization of 5,880 km of water/ wastewater networks; modernization/ construction of 4,249 km of village roads