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**A Recovery plan for Europe:
The Recovery and Resilience Facility**

ROMANIA

11 November 2021

Recovery and Resilience Facility

Functioning

- National recovery and resilience plans **with reforms and investments for the years up to mid-2026.**
- Member States present plans by **30 April 2021 as a rule**
- **Performance-based** instrument
- Payments **in instalments, when milestones and targets are met**
- Member States **report twice a year** in the framework of the European Semester

Grants and Loans

- **Grants:** €312,5 billion
- **Loans:** €360 billion
- Maximum allocation according to agreed key
- **Pre-financing of up to 13%** available in 2021 [optional]

Assessment Criteria

- **Appropriate contribution to the 6 pillars**
- **Climate transition:** 37%
- **Digital transformation:** 20%
- Addressing **country-specific recommendations**
- Appropriate balance between **reforms and investments**
- **Do-no-significant-harm** principle for all reforms and investments
- **Solid audit and control system** to ensure that the financial interests of the Union are protected

Overview of documents adopted by the Commission on 27 September

Proposal for a Council Implementing Decision

- Legal agreement between the European Commission and Romania on the plan
- “Contract” between the EU and Romania on the plan

Annex to the Proposal for a Council Implementing Decision

- Outline of the reforms and investments and their timeline for implementation (milestones and targets)
- “Roadmap and timeline” for implementation, which will trigger regular disbursements

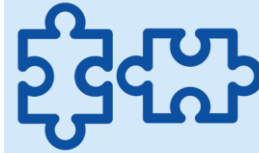
Staff Working Document

- Outline and detailed explanations of the findings of the CID
- Annex listing the climate and digital contributions per investment

Overview of Romania's RRP



15 components



171 measures

64 reforms and
107 investments



507 Milestones
& Targets



€ 14.24 billion
in grants and
€ 14.94 billion
in loans

Green transition

41% of the plan allocated to **climate** objectives

41%

Key investments

- Railway modernisation (EUR 3.9 billion)
- Greater energy efficiency in private and public buildings (EUR 2.7 billion),
- Building and refurbishment of public hospital infrastructure (EUR 2 billion)

Key reforms

- Decarbonisation of energy and transport sectors
- Adoption of the National Forest Strategy
- Development of the national circular economy strategy
- Ecological reconstruction of habitats and the conservation of species

DNSH

No measure in the plan harms environmental objectives

Digital transition

21% of the plan allocated to **digital** objectives

21%

Key investments in public and private sectors

- Deployment of the electronic identity card for the Romanian citizens (EUR 200 million)
- Digitalisation of education (EUR 1.1 billion) and businesses (EUR 500 million)
- Cybersecurity (EUR 172 million)
- Planned IPCEI on microelectronics (EUR 564 million)
- Connectivity (EUR 94 million)

Key reforms

- Digitalisation of the public administration
- Establishment of interoperable data platforms and setting up of the Government cloud
- Transition to EU 2025 connectivity targets and stimulate private investment for the deployment of very high capacity networks
- Ensuring cybersecurity of public and private entities owning critical value infrastructure

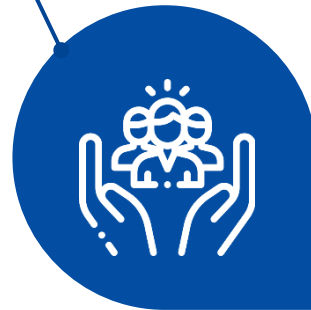
Sector-specific investments

- Development of an integrated e-Health and telemedicine system
- Digitalisation of justice, in the field of environment, civil service management, public procurement, customs and tax authority
- Digitalisation of road and rail transport

Resilience

Education & skills

- In-depth restructuring of the education system through the 'Educated Romania' project
- Measures focused on reinforcing early-childhood education services, reducing early-school leaving and improving VET
- Improvements in infrastructure



Labour market & Social

- Pension reform for a sustainable and fairer pension system,
- Implementation of a minimum social inclusion income and reform of minimum wage setting



Governance

- Simplified regulatory environment for business
- Modernisation of public admin.
- Anti-corruption measures
- Improved governance of research and innovation
- Stronger tax administration
- SOE governance



Health

- Building and refurbishment of public hospital infrastructure
- Building and refurbishment of ambulatory services, especially in rural and underserved areas



6 Pillars – 15 Components

Pillar 1 – “Green Transition”

1. Water management
2. Forests and Biodiversity protection
3. Waste management
4. Sustainable transport
5. Renovation Wave
6. Energy

Pillar 2 - “Digital Transformation”

7. Digital transformation

Pillar 3 – “Smart, sustainable, and inclusive growth”

8. Fiscal and pension reforms
9. Business support and R&D&I

Pillar 4 – “Social and territorial cohesion”

10. Local fund
11. Tourism and culture

Pillar 5 – “Health and economic and social resilience”

12. Healthcare
13. Social reforms
14. Good governance

Pillar 6 – “Next Generation”

15. Education

Component	Costs (EUR million)		Total Costs (EUR million)
	Non-repayable support	Loans	
Pillar “Green Transition”			
1. Water management		1 462.00	1 462.00
2. Forests and Biodiversity protection	781.00	392.00	1 173.00
3. Waste management		1 239.00	1 239.00
4. Sustainable transport	3 906.00	3 714.00	7 620.00
5. Renovation Wave		2 200.00	2 200.00
6. Energy	460.00	1 160.00	1 620.00
Pillar “Digital Transformation”			
7. Digital transformation	1 827.06	57.90	1 884.96
Pillar “Smart, sustainable, and inclusive growth”			
8. Fiscal and pension reforms	456.93		456.93
9. Business support and R&D&I		2 558.63	2 558.63
Pillar “Social and territorial cohesion”			
10. Local fund	1 200.00	900.00	2 100.00
11. Tourism and culture		449.00	449.00
Pillar “Health and economic and social resilience”			
12. Healthcare	2 450.01		2 450.01
13. Social reforms	107.69	89.05	196.74
14. Good governance	165.60		165.60
Pillar “Next Generation”			
15. Education	2 885.39	720.57	3 605.97
Total	14 239.69	14 942.15	29 181.84

Transport - investments

Modernisation of railway lines (grants)

- **315 km modernised railway lines:** 30% increased capacity
- **110 km electrified** railway lines
- **2 426 km renewed** railway lines, with 15% increase of speed
- **17 projects of electronic centralisation**, solving capacity problems for 111 railway stations
- **Acquisition/upgrading of rolling stock**

Underground transport network development in Bucharest (5.2 km) and Cluj (7.5 km) (loans)

Road infrastructure (loans)

New motorways (part of core TEN-T network), 429 km in total

- A7 – Ploiesti-Pascani (319 km)
- A8 – Targu-Mures – Miercurea Nirajului si Leghin-Targu Neamt (Motca) (59 km)
- A1 – Marginea-Holdea (9 km)
- A3 – Nadaselu-Poarta Salajului (42 km).

Examples of accompanying measures:

- 30 000 electric charging stations (partially NRRP covered)
- Taxation for heavy vehicles
- Local taxes for polluting vehicles
- Increase by 29 500 of registered vehicles with zero emissions

Transport - reforms

- Improvement of the strategic legal and procedural framework to support transition towards sustainable transport and improved road safety
- Strategy on Intelligent Traffic System
- Naval Strategy
- Operationalisation of a new Road Investment Project Management Company
- Improvement of performance management of SOEs in the sector

Education

“**Educated Romania**” project: adoption of the legislative framework for its implementation

Early childhood education and care (ECEC)

- 110 crèches for 4500 children, with territorial distribution; 412 complementary services for disadvantaged groups; framework programme for continuing education of ECEC professionals

Early school leaving

- Implementation of the early warning mechanism in education(MATE); supporting minimum 2500 schools for monitoring and supporting pupils at risk of early school leaving; training of MATE users.

Education

Dual education and training

- Creation of a complete route for students in vocational education and training (VET), with access to university technical education;
- 10 regional consortia with 10 professional campuses (high schools and technical universities);
- 57 agricultural high schools supported with infrastructure, equipment and training;
- 909 professional and technical schools supported with equipment for digital labs and practice workshops.

Digitalisation of education

- Legislative framework for the digitalisation of education;
- On-the-job training programme for 50 000 teachers;
- Modernisation of at least 5200 computer labs, development of over 1 100 smart labs and digital infrastructure for over 3600 schools;
- Online school (evaluation and digital content);
- Digitalisation of universities.

Education

Infrastructure

- Updating legislation for school infrastructure;
- Green schools (300 000 m² upgraded, 46 400 m² new);
- 3200 green buses for isolated localities;
- Endowment of 75 000 class rooms and 10 000 scientific labs;
- 3 rural consortia for building 3 modern campuses;
- Modernisation/building of reading spaces, canteens and student dormitories in universities.

Pre-university education governance

- Restructuring the management system in the context of increased school autonomy; pilot on 60 schools;
- Training programme for over 6000 school managers, about 3000 deputy managers and 900 school inspectors

Health

Investments

- Building and refurbishment of public hospital infrastructure
 - New hospital infrastructure: partial funding for 25 hospitals/sanitary units
 - Medical equipment and devices
 - Neonatal intensive care units
 - Equipment and materials aiming at reducing the risk of nosocomial infections
- Building and refurbishment of ambulatory services, especially in rural and underserved areas

Health

Reforms

- Capacity development for the management of public funds in the health sector
- Creation and operationalisation of the National Agency for Health Infrastructure Development (ANDIS)
- Capacity development of the management of health services and of human resources in health

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Thank you