

(English version)

**Priority question for written answer P-002855/25  
to the Commission  
Victor Negrescu (S&D)  
(14 July 2025)**

*Subject:* Need for clarification of the impact of tax measures on EU funding in Romania

It is essential that Romania make sustained efforts to attract and efficiently use EU funding.

Against this backdrop, I would draw attention to risks that could affect Romania's ability to access and use this funding efficiently, especially in the context of recent fiscal and administrative measures. I call for urgent clarifications from the Commission, to prevent any blockages or loss of funding:

1. Has the Commission assessed the impact of the increase in VAT on the eligibility of EU projects of a value below EUR 5 million, especially given that until now VAT has been applicable to such projects?
2. What measures is the Commission considering in the event that wage cuts or administrative restructuring impact on staff paid from EU funds, which could mean significant sums being forfeited, such as those already reported by several institutions such as the Romanian Ministry of Investments and European Projects or the Ministry of Agriculture?
3. How does the Commission ensure that the assessment of the level of implementation of NRRP projects and decisions on their termination take into account the specificities of each project, and not just an arbitrary percentage threshold, and does not affect the EU's image?

Submitted: 14.7.2025

**Answer given by Mr Dombrovskis on behalf of the European Commission  
(14 August 2025)**

1. The Recovery and Resilience Facility (RRF) <sup>(1)</sup> is a performance-based instrument, and funds are disbursed upon the completion of agreed milestones and targets. In the context of estimating the cost of an investment or reform, value-added tax (VAT) should not be included as part of the cost, unless it can be demonstrated that the VAT would ultimately lead to a cost for the Member State, which is a circumstance to be considered on a case-by-case basis. Consequently, Romania's VAT increase should not affect the eligibility of RRF investments. Focus should rather be on the implementation of projects included in Romania's Recovery and Resilience Plan (RRP) by 31 August 2026. For cohesion policy projects with total cost below EUR 5 million, additional VAT-related costs could be potentially eligible under Article 64(1)(c) of the Common Provisions Regulation subject to national authorities' decision and budget availability.
2. The decision to adjust wages or reorganise staff pay remains firmly within the competence of the Romanian government. The Commission shares the government's objective of maintaining a motivated, well-qualified administration to maximise access to cohesion policy funds and RRF funds. For cohesion policy, EU resources from the technical assistance remain available to help achieve this objective.
3. In recent weeks and months, the Commission has worked closely with the Romanian authorities to conduct a detailed evaluation of progress on investments contained in Romania's RRP. The common goal is to help Romania maximise access to RRF grants, while also preserving viable projects in the loan component. There is a limited time window to deliver on all reforms and investments. The Commission has engaged intensively with the Romanian partners to ensure that the revised RRP focuses on sufficiently mature, achievable investments.

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<sup>(1)</sup> [https://commission.europa.eu/business-economy-euro/economic-recovery/recovery-and-resilience-facility\\_en](https://commission.europa.eu/business-economy-euro/economic-recovery/recovery-and-resilience-facility_en).