

ROMANIAN ENERGY CENTER ASSOCIATION PARTICIPATED AT THE WEBINAR ORGANIZED BY THE EMBASSY OF ROMANIA TO THE KINGDOM OF BELGIUM

7th of April 2021, Carina Ioana ZIDARU

The representatives of the Romanian Energy Center (CRE) Association participated at the Webinar organized by the Embassy of Romania to the Kingdom of Belgium and Romanian-Belgian Business Club (CAROMB), in collaboration with Price Waterhouse Coopers Romania (PwC), entitled „Promoting and Attracting Foreign Investments across Romania, What should Foreign Investors Know about Romania?”. The Webinar took place online, on 24th of March 2021 and was dedicated to foreign entrepreneurs. The Event had as special guest high-ranking officials from the Romanian Presidential Administration as well as from the Romanian Ministry of Economy, Entrepreneurship and Tourism.

The valuable speakers and special guests from the Romanian Presidential Administration, Romanian Ministry of Economy, Entrepreneurship and Tourism and PwC which contributed to the Webinar discussions were: Ms. Valentina SAYGO - State Secretary, Ministry of Economy, Entrepreneurship and Tourism; HE. Andreea PASTARNAC - Romania's Ambassador to Belgium; Dinu BUMBACEA - Partner, Advisory Services, PwC Romania; Inge ABDULCAIR - Director, PwC Romania; Monica MOVILEANU - Partner, PwC Romania; Mihai BREZEANU – Manager, PwC Romania; Gabriel VOICILA - Partner, PwC Romania; Ruxandra CHIRITA - Director, PwC Romania; George URECHE - Director, PwC Romania and Sorin PETRE - Partner, PwC Romania.

The [Webinar](#) highlighted the general national framework and presented methods to promote the country, as well as the attraction of foreign investments in Romania. The overview of the tax incentives applicable in Romania was presented during the discussion: Holding regime is applicable in Romania - capital gains being tax exempt under certain conditions; Reduced tax rates – reduced VAT rates for certain food related products, hospitality, cultural and tourism activities, real estate properties; Specific tax incentives – Personal Income Tax (PIT) exemption for IT employees and construction sector; Supplementary 50% deduction for Research and Development (R&D) expenses and accelerated depreciation for R&D equipment and Corporate Income Tax (CIT) exemption for investments in technologies or accelerated depreciation for such investments.

Romania will benefit from an important financing program called Multiannual Financial Framework (MFF) which has as a mechanism its implementation between 2021-2027 through nine Operational Programmes (OP) such as: Just Transition OP; Sustainable Development OP – energy efficiency for companies, reducing emission and energy consumption for companies, climate change resilience, etc; Transport OP – road, rail, underground and water transport infrastructure; Regional OPs; Smart Growth, Digitalization and Financial Instruments OP; Education and Employment OP; Health OP; Inclusion and Social Dignity OP and Technical Assistance OP.

Recovery and Resilience Facility (RRF) implementation in Romania is the main component of Next Generation EU (NGEU) and is implemented via the National Recovery and Resilience Plan (PNRR). The PNRR has six main pillars such as: Green Economy Transition - 37%; Digital Transformation – 20%; Smart, Sustainable, Inclusive Economy Growth; Social and Territorial Cohesion; Health and Institutional Resilience and Children, Young People, Education, and Skills.

The Modernization Fund (MF) was established to modernize the Energy Systems and Improve Energy Efficiency in ten Member States: Romania, Bulgaria, Croatia, Estonia, Czech Republic, Hungary, Latvia, Lithuania, Poland, and Slovakia. In order to be able to modernize the Energy Sector, several priority investments have been established: generation and use of electricity from Renewable Sources; improvement of Energy Efficiency in transport, buildings, agriculture and waste; energy storage; modernization of Energy Networks and support to Just Transition in carbon-dependent regions. One important aspect of the MF consists in the support given by this Fund to Non-priority investments by covering 70% of relevant costs. Any investment focusing on the modernization of energy systems is in line with the objectives of the Union's 2030 climate and energy policy framework and the long-term objectives as expressed in the Paris Agreement.

In the context of EU Action Plan on Financing Sustainable Growth it can be identified three high value regulation: Realignment of Capital Flows, Integration in Risk Management, Promoting transparency/long-term focus. With these guidelines as reference, Romania can ensure a proper use of the financing programs.

[CRE](#) Association is an active and strategic partner together with its members and other potential members in international consortia for deploying energy projects funded by the EC, such as: [CROSSBOW](#), [PHOENIX](#), [TRINITY](#), [EDDIE](#), [EDGEFLEX](#), [SUCCESS](#), [RESERVE](#), [NRG5](#), [WISEGRID](#), [SOGNO](#) and [CYBERSEAS](#).

