FICSIMM
Federația pentru Inovare și Competitivitate Sustenabilă în IMM-uri
Membră a confederației patronale Concordia

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# Punctul de vedere al Federației pentru Inovare și Competitivitate Sustenabilă în IMM-uri (FICSIMM) cu privire la propunerile de reformă și de investiții la nivel național și punerea lor în aplicare

## *1. Măsuri de reformă și investiții în statele membre, în special cele bazate pe recomandările specifice fiecărei țări pentru 2025 și punerea în aplicare a acestora:*

Romania's 2025 Country-Specific Recommendations place a strong emphasis on **restoring macroeconomic credibility while protecting investment capacity**, notably by keeping net expenditure on the corrective path under the Excessive Deficit Procedure and implementing the reforms / investments linked to the extended adjustment period.

These include: a **comprehensive review of the tax framework**, **modernisation of tax administration**, spending reviews, pension reforms and the minimum-wage setting mechanism - yet there are delays on key deliverables, including the tax-system review.

From an SME perspective, the credibility of the reform trajectory matters as much as the fiscal aggregates: investors and domestic SMEs need a predictable policy environment to commit to multi-year industrial, digital and energy-efficiency upgrades.

This is consistent with FICSIMM's repeated evidence that **policy volatility, limited ex-ante impact assessment and weak consultation practices** directly depress investment sentiment and reinvestment rates, particularly in manufacturing and processing.

FICSIMM considers that the "implementation gap" is now the central risk for 2026: Romania must translate CSRs into **a disciplined, sequenced reform calendar** that reduces uncertainty and unlocks private investment, rather than relying on ad-hoc measures. CSR 3 explicitly calls for improving **public administration quality and predictability of decision-making** through genuine stakeholder consultations, effective impact assessments and streamlined procedures, alongside better preparation and prioritisation of large infrastructure projects and timely execution of mature public investments.

For SMEs, this should become operational through:

- a binding **SME predictability package** (stable fiscal rules, notice periods and publication of impact assessments),
- an "SME test" for legislation and a measurable burden-reduction programme aligned with EU targets, and
- accelerated permitting (construction, environmental, grid connection) via end-to-end digital workflows and interoperability.

The business rationale is clear: Romanian firms still invest below the EU average (78% vs 86%), with higher financial constraints (10.2% vs 6.1%), and a markedly weaker outlook on the political / regulatory environment - signals that reform credibility and administrative efficiency are investment multipliers.

On investments, FICSIMM supports measures that directly raise productivity and resilience, in line with the European Semester's renewed focus on **delivery and competitiveness** (Competitiveness Compass logic: innovation, decarbonisation, reduced dependencies and horizontal enablers like simplification, financing and skills).

In practice, this means:

- scaling **SME-friendly financial instruments** (guarantees, preferential loans, risk-sharing) for re-technologisation / increasing energy efficiency, innovation and deep digital transformation;
- ensuring that public investment pipelines are "project-mature" to avoid procurement delays;
- using EU instruments (including cohesion flexibilities, STEP / InvestEU where relevant) to crowd in private capital.

FICSIMM has already advanced, among others, an example of a performance-based financing mechanism for SME energy efficiency and re-technologisation (blending guaranteed credit with conditional rebates linked to measurable energy savings), precisely to convert CSR priorities into bankable, scalable investments.

The guiding principle is that Romania should treat the CSRs not as a compliance checklist, but as a **predictability-and-investment contract** with the real economy - measured by reduced permitting times, fewer overlapping controls, higher absorption speed and a rising share of SMEs investing in productivity-enhancing assets.

## *2. Finalizarea punerii în aplicare a planurilor naționale de redresare și reziliență*

From FICSIMM's perspective, the decisive challenge in the final phase of NRRP implementation is **delivery under compressed timelines**, while safeguarding reform quality and investment impact. Romania has made progress on milestones, yet persistent delays - stemming from complex procurement, insufficient project maturity, administrative bottlenecks and frequent regulatory adjustments - continue to jeopardise decent absorption by the 2026 deadline.

For SMEs, delays translate directly into postponed investments, higher costs and lost competitiveness. FICSIMM stresses that the "last mile" of implementation requires **focused execution governance**: clear ownership of milestones, fast-track procedures for mature projects and immediate corrective actions when risks materialise.

The objective should not be nominal completion, but **measurable economic effects** - productivity gains, energy savings, digital uptake and private investment crowd-in - aligned with the Semester's competitiveness priorities.

FICSIMM considers that **institutional learning from the NRRP must be captured and embedded** into post-2027 EU and national frameworks. The NRRP demonstrated that results-based financing and tight timelines can work - if administrative capacity, coordination and stakeholder engagement are adequate. Romania should therefore formalise best practices developed under the NRRP (digital workflows, milestone tracking, outcome indicators) and mainstream them into cohesion policy and national investment programmes. Equally important is a transparent, evidence-based **ex-post assessment of SME impact**, covering absorption rates, regional distribution, productivity effects and administrative burden.

For FICSIMM, completing NRRP implementation successfully is not only about closing files by 2026, but about **locking in a new delivery culture** - one that reduces uncertainty, speeds up investment decisions and strengthens SMEs' confidence in public programs as reliable partners for long-term growth.

### *3. Implementarea și monitorizarea planurilor fiscale și structurale naționale pe termen mediu*

FICSIMM views Romania's medium-term fiscal-structural plan as a necessary framework to **restore fiscal credibility while preserving growth-enhancing investment**, but warns that credibility depends on predictable implementation, not on headline commitments.

The plan's adjustment path under the revised EU economic governance should be anchored in transparent assumptions, realistic sequencing of measures and a monitoring architecture that detects slippages early. From how the government has been acting in the past months, this is not the case, at all.

For SMEs, the key risks that we warned against in the summer of 2025 have become realities: consolidation is delivered through abrupt, confidence-shocking decisions - frequent tax changes, ad-hoc levies, delayed payments in the public sector supply chain, stop-go investment spending. Such approaches undermine the very competitiveness outcomes the plan is meant to support.

FICSIMM therefore argues that monitoring must focus not only on compliance with net expenditure paths, but also on the **quality of adjustment**: whether it is based on durable revenue administration gains, spending efficiency and structural reforms that improve the investment climate.

A credible plan must translate into an **SME-safe consolidation mix**. FICSIMM supports shifting the burden away from distortive, unpredictable measures and toward:

- strengthening tax compliance and administration,
- broadening tax bases through fair enforcement, and
- spending reviews that eliminate inefficiencies rather than cutting productive expenditure.

In practice, this should have included measurable targets for digitalisation of tax administration, risk-based audits, faster VAT refunds and reduced compliance costs - because compliance friction is a hidden tax on SMEs.

On the expenditure side, the plan's monitoring should have included indicators on payment discipline in public procurement, backlog reduction and the speed of permitting and authorisations, given their direct effect on SME liquidity and investment cycles.

FICSIMM also emphasises that reforms affecting labour costs (including minimum-wage setting and tax wedges) must be implemented via stable, consultative mechanisms, with sufficient lead times, to avoid sudden shocks to employment decisions - especially in SMEs with thin margins.

Finally, FICSIMM recommends strengthening governance through a **structured stakeholder monitoring loop** that complements formal Commission reporting. Romania should institutionalise recurring consultations with representative business structures and social partners on implementation progress, bottlenecks and corrective actions - linked to a public dashboard of milestones, key reforms and investment execution rates.
Monitoring should also be territorial: SMEs outside Bucharest-Ilfov often face longer administrative timelines, weaker advisory support and less access to co-financing, which can distort delivery and outcomes.
FICSIMM advocates for a ”delivery and predictability” scorecard, tracking: legislative stability, consultation quality, administrative burden, average permitting times, absorption speed, SME investment indicators. This would make the fiscal-structural plan not merely a compliance document, but a **competitiveness instrument** - supporting disciplined consolidation while improving the structural conditions that allow SMEs to invest, innovate and scale.

## *4. Legătura dintre cadrul financiar multianual și Semestrul european*

FICSIMM considers that a stronger and more operational link between the **Multiannual Financial Framework (MFF)** and the **European Semester** is essential to ensure that EU spending effectively supports competitiveness, resilience and convergence. The Semester provides a country-specific diagnosis and reform priorities, while the MFF translates political objectives into multiannual investment capacity; however, in practice, the connection remains uneven and often formalistic.
For Romania, this gap has resulted in delays, fragmented programming and investments that are insufficiently aligned with structural bottlenecks identified in successive CSRs - such as administrative inefficiency, low productivity, skills shortages and energy intensity.

FICSIMM argues that future MFF programming should explicitly reference Semester priorities at program and measure level, with clear intervention logics showing how funding addresses identified reform and investment needs, particularly for SMEs and productive sectors.

From an SME perspective, the MFF - Semester connection must move beyond ex-ante alignment to **continuous implementation feedback**.

FICSIMM supports the introduction of performance-oriented mechanisms whereby progress under the Semester (reforms delivered, administrative improvements, reduction of barriers) conditions or modulates access to certain investment envelopes, while safeguarding cohesion principles and avoiding punitive approaches. This would incentivise reforms that directly improve the business environment - simplification, faster permitting, digital public services -, while ensuring that funds reach firms capable of delivering productivity gains, while giving access to technical assistance for improving administrative capacity to SMEs that lack it, in order not to exclude them from EU funding.

Crucially, this connection should be accompanied by proportionate, risk-based controls and simplified cost options, so that SMEs are not excluded by excessive administrative burden. A clear, stable framework linking reforms and investments would increase predictability for private co-investors and enhance the crowding-in effect of EU funds.

Finally, FICSIMM emphasises that the MFF - Semester link should be **transparent, participatory and territorially sensitive**.

National programming documents and revisions should be developed through structured dialogue with relevant and credible social partners, building on the Semester's analytical evidence and stakeholder input. Monitoring should include SME-relevant indicators - investment rates, access to finance, time-to-permit, digital and energy performance - disaggregated by region, to ensure that EU funds support real convergence and do not reinforce existing disparities.

For FICSIMM, the ultimate objective is a ”virtuous cycle”: the Semester identifies constraints and reform priorities; the MFF finances targeted, SME-accessible investments to address them; and implementation feedback continuously refines both.

This approach would transform EU funding from a compliance-driven exercise into a **strategic competitiveness tool**, aligned with long-term growth and resilience objectives.