



SOCIAL DEMOCRATIC PARTY
10, Kiseleff Av., Sector 1,
Bucharest, Romania
presedinte@psd.ro, intdep@psd.ro
www.psd.ro

Bucharest, March 4th, 2021

Mrs Ursula von der Leyen
President of the European Commission

Mr Frans Timmermans
Executive Vice-President of the European Commission

Subject: Politicization of public funds, European funding, and public functions in Romania

Dear President,
Dear Executive Vice-President,

I would start by thanking you for your availability to exchange constructively on the issues related to Romania and the important steps our country has made to become an active EU member state. I reiterate our desire to continue the path towards consistent reforms that will enable us to tackle the upcoming challenges. Our party has succeeded in Romania's EU integration, prepared a successful EU Council Presidency and will continue to be an active and honest broker in supporting the efforts for further development within the EU.

In this framework, **it is important for Romanian citizens to feel protected by the European Union when abuses are committed and the democratic principles of the rule of law are violated by Governments.** Unfortunately, despite the clear signal sent by Romanian citizens during the legislative elections, **the current political majority is acting undemocratically by starting an active process of politicization of public funds, European funding, and public functions in Romania. The three parties in government, with a very fragile majority, cannot accept that they lost the elections and cannot understand that their immoral attitude only feeds radicalism and extremist views.**

More exactly, in the last couple of weeks:

- **The parties in government approved for the first time a budget without accepting any amendments coming from parliamentarians, belonging either to the governmental parties or the opposition.** Moreover, there were no discussions with the social partners, the civil society or local authorities on the budget, despite being sent to the Parliament with a severe delay. Most of the stakeholders expressed already public disapproval of the new budget. **More than 3500 amendments, indicating clear financial solutions, got rejected in a public display of non-democratic attitude.**

- The government approved for the first time, in the democratic history of Romania, **an annexe to the budget presenting financial sums allocated preferentially to counties and municipalities belonging to the parties forming the majority** despite the fact that the majority of Romanian local elected officials belongs to opposition parties. The annexe 7.03 legalizes political bribe from state budget. **The funds are distributed based on a political algorithm corresponding to their political share in the coalition.** And this can be proven by hard facts: PNL received 52%, USR 35% while UDMR 13% and all these data are mirroring the shares in the governing coalition. There are municipalities run by elected politicians from the government coalition that receive more funds than counties run by social democrats with a population several times bigger. Despite having planned for a budget with a more than 7% deficit and constantly loaning money on the international market, the current government decided to allocate millions of euros without any transparent criteria based on political interests. Unfortunately, they did the same at the end of last year from the reserve fund of the prime minister. Without any public reaction from the European Commission, they will continue the politicization of public funds.
- The politicization of the state budget is followed by the politicization of EU funds. Firstly, **in the drafting of the Recovery and Resilience Plan they did not engage in an open dialogue with the Parliament, with the opposition or social partners.** They organized political biased consultations in which they did not present anything while, in the same time, **announcing that the government will spend the money through untransparent partnerships, without respecting the European framework for public tenders.** Another example is **the cancelation of Measure 3, designed for SMEs from EU funds, after the media have presented clear information of political interventions and financial interests in the selection procedures.** It might seem unbelievable, but the Minister for Economy Claudiu Năsui had a personal administrator account on the online platform managing the applications. Lastly, **it seems that in the design of the new operational programs they want to implement untransparent rules by modifying, without consultation of relevant stakeholders, the application platform and therefore implementing extensively subjective criteria.**
- Furthermore, they are focusing on the **full politicization of the public sector.** They started by changing close to 1000 school principals in one day with people close to their parties, they continued with the untransparent politicization of prefects and they plan to politicize all the secretary generals of local authorities. **Copying the model of other autocratic governments in the region, they are planning to politicize the national TV Station and the national Radio Broadcaster.**
- Unfortunately, **this politicization is accompanied by a radical and public attack towards the Romanian Ombudsman (People's Lawyer), the members of the Romanian Constitutional Court and the Superior Magistrates Council.** They want to control those three remaining legal pillars blocking them in achieving a full control over Romania. Interestingly, the Romanian Ombudsman is a prominent figure of the civil society and a former right-wing politician, former Member of the European Parliament, that now is being attacked because she decided to do her job as a defender of civil rights.

- In the last couple of days, the current prime minister and other minister of the cabinet are openly and publicly criticizing a final decision made by a judge. This a very serious immixture in the Romanian judicial system.
- Finally, **they started to attack publicly trade unions and representatives of the civil society and private sector contesting their policies. The Prime Minister threatened publicly trade union leaders and the representatives of the hospitality sector for organizing peaceful strikes against some of the decisions made without consultations.**

The list I am presenting through this letter illustrates unfortunately just a small part of the things currently happening in Romania. **Our country is slipping towards a non-democratic path under a political clique that usurped the power in Romania despite loosing the legislative elections.** I know that after the mistakes committed in the past it is hard to believe that things can go even worst in Romania, but unfortunately this is the truth.

There is no room for double standards, and I must underline there is limited timeframe for your intervention to produce an effect. If the European Commission decides to ignore what the government is doing in Romania, the situation will only get worse for Romanians and European democracy. The elections are over, the upcoming ones are due to take place in 2024, so my letter does not have any direct electoral interests.

As the leader of the opposition in Romania, I have the responsibility to do whatever I can to help Romanians and defend our democratic European values. Romanian social democrats have fought for more than 127 years against any forms of extremism and we will never give up. But I do hope that our European family will not ignore us this time. Romanians deserve more than what the government is offering, an austerity budget, embezzlement of public and EU funds and no development perspectives.

I am hopeful that you will not remain impassive to my letter and our request to publicly address the issues reflected upon. Our party is always ready to discuss constructively on the future of Romania and remain committed to work intensively to keep our country on the European and democratic path.

With friendship,

Marcel Ciolacu

Member of the Parliament
President of PSD Romania
Leader of the opposition in Romania