

# Sustainable Development And Economic Growth

An Interview with His Excellency Nicolae Ciucă, President of the Senate, Romania

**EDITORS' NOTE** Nicolae Ciucă graduated from Tudor Vladimirescu Military High School and later from Nicolae Balcescu Land Forces Academy. His schooling and training were directly related to his assignments, as he progressed from platoon leader to battalion and brigade commander. During this time, he took part in a variety of national and international operations and missions, including UNAVEM III Angola in 1996 as a staff officer, ENDURING FREEDOM Afghanistan



H.E. Nicolae Ciucă

(2002-2003), and ANTICA BABILONIA Iraq (2004) as Battalion Commander. He graduated from the National Defense University in Bucharest and earned a PhD in military science. In 2011, he was appointed Commander of the 2nd Infantry Division, and three years later, he took over the command of the Romanian Land Forces Staff. In October 2014, he was appointed Deputy Chief of Defense Staff. From January 2015 until October 2019, he successfully held the most demanding position within the Romanian Armed Forces, Chief of Defense Staff, and in November 2019, he assumed the leadership as Minister of National Defense. Ciucă has attended numerous courses throughout his career, the most important of which are: Instructor for Peacekeeping Operations Course in Turkey, Joint and Multinational Operations Course, Civil-Military Cooperation in Eastern Europe and Central Asia Course, Florida/U.S., U.S. War College. In addition to his studies and training, he participated in several national and international exercises, including Blue Danube 2000, Dynamic Response Kosovo, ISAF 2003, and Eurasian Star 2010 in Turkey. Ciucă became Prime Minister in December 2021 and led the cabinet until June 2023, when he was elected President of the Romanian Senate. He is the Romanian National Liberal Party's leader. Ciucă has been awarded The National Order for Merit in the rank of Officer, The National Order for Merit in the rank of Knight, UN Medal for participating in UNAVEM III Mission, The National Order for Merit of the French Republic in the rank of Commander, The U.S. Medal of Merit, and The Medal of Honor of the Special Operation Forces of the U.S.

**Will you provide an overview of the current legislative priorities and initiatives in the Romanian Senate and how they impact Romania's international and regional role?**

2024 is an electoral year where the main concerns are linked to the execution in due time of the PNRR with the EU, meaning the reforms committed in this National Plan, as well as reforms needed for exiting the excessive deficit procedure of the EU (entering below the threshold of 3 percent of the GDP deficit) as well as reforms needed for joining OECD.

**What perspectives does the Black Sea region bring to NATO and strategic allies of Romania?**

As it was established already in Madrid, in NATO's Strategic Concept, it has been recognized that the Black Sea become a region of strategic importance for the Alliance – and rightfully so. We've seen Russia's war of aggression in Ukraine developing in the wider Black Sea Region; blockages in the exports of grains showed us how easy it is for Russia to disturb the world's food security; freedom of navigation is at stake when it is up to attacks and Russia storming civilian ships navigating in the Black Sea; and freedom of overflight as well as security of the transports are related to this war. In those conditions, NATO should accept new responsibilities in the area that should match the level of respect for international rules in all the seas where we have littoral allied states. This is a real challenge that has to be assumed and settled.

**How do you see the conflict in Ukraine evolving and how critical is it for the U.S. and European partners to continue to support Ukraine?**

The conflict in Ukraine is a turning point for the whole region, both from a security and also from an economic perspective. The U.S. and the EU must continue to support Ukraine in their war effort but also give them a positive perspective for the post-war reconstruction of their country. Romania will continue to support Ukraine and we expect the same from all our partners. The conflict in Ukraine has changed the priorities for our strategic projects and now the development of our highway infrastructure, the upgrade of the Constanta Port, the upgrade of our energy

system, the upgrade of our defense industry, and the interconnectivity from all perspectives with the Republic of Moldova have become top priorities. The logistical challenges we see generated by the war in Ukraine must be tackled urgently so that our country can become more resilient and be able to respond faster to this type of conflict.

**What are the major challenges and opportunities facing Romania in terms of strengthening democracy and the rule of law?**

Romania has recently fulfilled its tasks and this autumn the CVM of the EU has been lifted, consecrating the achievement of a level of rule of law that allows Romania to be a proud member of the EU with full responsibilities. For sure, we are not going to stop here. It is an ongoing process, and all observations made in our country report on the matter are going to be analyzed and enforced.

**What are your thoughts on strengthening citizen engagement and participation in the political process of the relationship between the Senate/Parliament and the citizens of Romania, and combating populism, disinformation and election interfering?**

We have a tremendous activity of the civil society and media and think tank groups on this matter. Our citizens are aware of the existence and means of informational warfare. At the governmental level we are moving to long-term instruments in the field, putting education in the forefront, when the Stop Fake type of projects are widely developed. For sure, we are expecting to see other means, taking the experiences from our partners in the EU and our allies in NATO, to improve this resilience at the level of more and more citizens.

**What are the key policy priorities and goals that the Romanian Liberal Party is currently focusing on for the betterment of the country ahead of next year's elections?**

We are committed to keep the flat tax for both companies and persons – it is the core element of our economic policy. The low taxation of capital has been the main incentive for the fast development of our country in the last decade and for the huge productivity gains. The protection and the growth of the Romanian capital together with the defense of the actual fiscal system are our main priorities. Furthermore, we support the development

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of critical infrastructure, while also balancing the economic growth among the regions of our country. Considering the start of the Black Sea gas reserves exploitation in 2027, we will focus on attracting investors from the petrochemical and energy sector who will move their production in Romania.

**How does the governing coalition plan address economic challenges and promote sustainable growth and job creation in Romania?**

We see several pillars as solutions for the economic challenges that Romania will face in the next decade:

- Adopting and improving the mechanisms for attracting the EU funds that our country receives in the next ten years that will significantly upgrade all our economy
- Continuous support for attracting investors by keeping the low taxation incentive and by making all interaction with the state more agile
- Reducing the budgetary deficit and strengthening the fiscal discipline in order to use most efficiently the resources that we have
- The modernization and diversification of our energy system in order to make it more resilient and competitive in the European market
- Develop infrastructure and programs in the poorer regions of our country in order to offer them growth opportunities and a perspective for sustainable development

**What are the coalition’s strategies for fostering innovation, entrepreneurship, and small business development in Romania?**

Romania has strongly supported the SME’s sector in the last decade, mainly with a very attractive taxation rate. With a 3 percent turnover tax and a dividend tax of 8 percent, our country has one of the lowest fiscal rates in the region. Furthermore, we are developing multiple programs to support entrepreneurship and innovation through the financing of applied research at the university level and through programs dedicated to specific categories of entrepreneurs.

**What is Romania’s role in addressing environmental and sustainability issues, and what specific policies are being pursued in this area?**

With 25 percent hydro energy, 15 percent wind energy, 5 percent solar energy, 20 percent nuclear energy, and 35 percent gas and coal

energy, Romania has one of the most sustainable and green ecosystems in the European Union. We are supporting the transition of our country in the direction of the circular economy and that is why we are promoting strong initiatives and projects that will accelerate the recycling processes and also build sustainable business ecosystems. We are just now implementing a unique system at the European level for returning plastic and glass bottles that will help us recycle and reuse more than 90 percent of the bottles. Similar systems are being implemented for paper products and electronic goods. In my opinion, a balanced energy ecosystem and a strong circular economy are two critical elements for the sustainable development of our country.

**NATO and EU countries are rethinking and prioritizing investments in the defense and security industries. What are Romania’s major investments and plans for relaunching the defense and national security sector?**

We are both a part of the EU and NATO. The debates about our defense industry are there and we are looking forward to more sustainable chains of supplies for the basic production of military capabilities and ammunition. We are continuing a 10-year plan of acquisitions and production via an off-set law in the field. We are also looking at the lessons learned from Ukraine, from Russia’s war of aggression. A part of those lessons are already there, and another part is going to be revealed to us during this war. We will adapt to that reality, including by an adapted perspective in the security and defense fields.

**Will you share insights into Romania’s position on immigration, national security, and border control as it relates to Romania’s efforts to join the Schengen area?**

In that area, we are doing everything possible to move ahead, not only did we fulfill the conditions for joining Schengen some 10 years ago, but we also succeeded in improving our figures related to immigration in the last 9 months – a reduction with 40 percent of the number of people arriving in the EU with their first entrance place in Romania. We are also developing – as is Bulgaria – with the EU a pilot project to improve the border control that could be replicated afterwards at the whole EU level for countries with an external border.

**What role does Romania prioritize in regional and international cooperation, and what are foreign policy priorities, especially at the level of the European Union, NATO and the UN?**

As you all know, through our transparent National Security Strategy, we have three important pillars in our security realm: the Strategic Partnership with the U.S., a visible and active role in NATO, and raising our strategic weight and influence inside the EU, by entering in the core of the Schengen and Euro areas. As for areas of interest, the wider Black Sea area, Western Balkans, and the Middle East Northern Africa areas are in the forefront. But lately, we became very much interested in seeing the evolutions in the Indo-Pacific Region, Africa and Latin America trying to come with our added value to the efforts of our allies and partners to off-set the international presence here, on our territory, of our strategic partner, the U.S., and our allies in NATO. We are also looking forward to developing niche capacities in technology in areas where we have an upper hand and skilled workers, specialized training and higher education – nuclear, lasers, IT, cyber, and AI.

**You are a military officer by career serving as a civilian elected official. What are the main elements from your previous career that are relevant to being a politician today?**

First is order and resolution. Second is hard work and capacity of effort. Third is planning and strategic understanding of roles and approaches. Working with people from different social milieus and conditions is also an added value. Individual discipline as well as personal inclination for lecture, discovering, understanding the issues as well as a capable mind for hard decision-making is also helping in those periods where I was confronted, like the whole world, with multiple crises. But above all, I propose a very fair, correct, and straight approach to the issues and politics, with due solutions that would fit the problems and the feasibility in a very concrete world populated with people that need to both understand and support any solutions that are proposed to them. Because today, in these times, we cannot succeed only with the state and institutions – we need to have always on board, for each endeavor, the society, the private companies, and each of the citizens if we are going to succeed. ●