



MINISTRY OF FINANCE

Indicative plan of government securities issuances for 2025

In 2025, the government gross financing needs is estimated to RON 232 billion, excluding cash management instruments. The volume of loans from domestic and external markets is estimated at a level similar to the gross financing requirement, with approximately 8% less than the volumes borrowed in 2024 (RON 252 billion), being determined by the projected level of the budget deficit, of 7% of GDP (approximately RON 135 billion) as well as by the volume of the debt to be refinanced in 2025, in the amount of approximately RON 97 billion. The budget deficit will be financed approximately 45% from internal sources and 55% from external sources.

The Ministry of Finance will have a flexible approach in carrying out the financing process aiming to preserve the predictable and transparent nature of the offer of government securities in order to react adequately to potential changes in market trends and investor behavior.

Domestic market

The indicative volume of loans to be contracted from the domestic market amounts to approx. RON 145-150 billion, with a maturity structure of about 15-20%/85-80% (short term versus medium and long term), by issuing the following instruments:

- short-term treasury certificates, with maturities up to 12 months;
- previously issued medium and long term benchmark bonds that will be frequently reopened according to investors demand until reaching an appropriate volume to increase their liquidity;
- new benchmark bonds with initial maturities of around standard maturities 3, 5, 7, 10 and 15 years, taking into account investors demand and the objective of consolidating and expanding the yield curve of RON-denominated government securities;
- retail bond issuances in RON and foreign currency, with indicative maturities between 1y and 7y;
- private placement instruments, denominated in RON or foreign currency.

The Ministry of Finance is considering issuing green bonds on the domestic market during 2025 based on the General Framework for green bonds at the sovereign level.

In order to achieve the objective of consolidating and expanding the yield curve of RON denominated government securities and improving the liquidity in the secondary market, the Ministry of Finance is considering reopening the benchmark bond issuances in a volume of up to EUR 3-3,5 billion equivalent on each benchmark series..

Furthermore, in order to reduce the refinancing risk, based on market conditions in the secondary market, the Ministry of Finance intends to use liability management operations in 2025 (buybacks and exchanges). The government securities issued on domestic market that may be subject to buybacks or exchanges with newly issued benchmark bonds are those with a residual maturity of up to one year at the time of the transaction, respectively the series maturing in years 2025 and 2026. Quarterly announcements and monthly prospectuses will be updated for such transactions.

The Ministry of Finance may also consider to issue EUR denominated government securities denominated in on the domestic market subject to investors demand.

External market

The 2024 indicative volume of borrowing from the international markets is of approx. EUR 16-17 billion and will be completed through:

- Eurobond issuances in the amount of EUR 12-13 billion (equivalent), including private placements, subject to the market developments, conditions and opportunities. MoF could perform buybacks and exchange transactions to manage large redemptions scheduled during 2025-2026. Green Eurobond issuances will be considered, based on the Sovereign Green Bond Framework, as well as Samurai bonds, launched on the Japanese market for the purpose of investor base diversification.
- European Commission disbursement of EUR 3 billion to Romania under the Recovery and Resilience Facility (RRF);
- drawings under loans contracted from international financial institutions of about EUR 1 billion.

Through external loans, the Ministry of Finance aims to reduce refinancing risk by extending the remaining average maturity of the government securities portfolio at the most efficient cost and to diversify the investor base.

The pre-financing of the 2025 gross funding needs achieved during 2024 is consolidating the level of the buffer at the end of 2024. In 2025, the level of the foreign currency buffer will be maintained, its reduction being considered only in the scenario of higher gross financing needs than originally estimated.

However, depending on the market conditions and the implementation of the financing plan for 2025, the consolidation of the foreign currency buffer could be considered.

The elements announced above may be revised during 2025 depending on the development of the gross funding needs, the developments on the financial markets and investor demand as well as the way of implementing the financing plan.

The indicative volume of government securities issued on the domestic market will be announced quarterly, including the volumes and other specific terms announced in the approved prospectuses. For the first quarter the indicative volume of government securities to be issued on the interbank market is around RON 20 - 25 billion.

**Viceprim - minister, Minister of Finance
TÁNCZOS Barna**