

Annual Report
of the National Committee
for Macroprudential Oversight
for the year 2025

Overview

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The year 2025 marked the consolidation of the transition to a global economic model dominated by economic security considerations, where strategic autonomy, the reconfiguration of trade and technological competition became key factors behind the financial dynamics and the relations of power. The realignment of global supply chains, the expansion of industrial policies and the proliferation of trade protectionism contributed to the progressive fragmentation of the international economic area, with effects on costs, investment flows and market volatility.

The global economy continued its moderate upturn, with estimates pointing to an approximately 3.3 percent growth, amid significant differences across regions and sectors. Specifically, growth remained robust in advanced economies, especially in the United States, which supported the global advance via sturdy domestic demand and a pace of economic expansion above the developed countries' average level. The European Union reported more modest dynamics, with an economic advance estimated at roughly 1.4 percent, reflecting persistent structural challenges and a prudent investment environment.

In Europe, the strategic autonomy agenda saw some operational progress, underpinned by comprehensive investment programmes spanning military, energy and transport infrastructures, advanced technologies and critical industrial capabilities. In parallel, the digital infrastructure and the AI development have been allocated exceptional volumes of finance, particularly in the US, in an investment environment that was occasionally buoyant. The accelerated pace of capital allocations and the increasing asset valuations in these sectors have raised questions about the sustainability of yields and the risk of imbalances or investment bubbles building up at sectoral level, with a significant spillover potential. Overall, the crossroads between trade fragmentation, strategic autonomy imperatives and the investment boom in infrastructure and emerging technologies redefined the risk transmission channels, with direct implications for financial stability, financing costs and capital flow dynamics. In this context, global gross government debt reached USD 111 trillion, nearing 95 percent of GDP, as 23 states exceeded the 100 percent mark and two countries stood above 200 percent of GDP.

Domestically, the election calendar was at the forefront of the year under review. Episodes of heightened volatility and a more cautious investment stance were manifest around election periods, amid expectations for the future direction and implementation of fiscal and structural policies. In the second half of 2025, the Romanian economy embarked on a comprehensive process of correcting macroeconomic imbalances, with a special focus on the fiscal deficit that had built up to high levels in the previous years. Fiscal consolidation involved both measures to raise budget revenues and interventions in the public spending structure, resulting in a moderation of aggregate demand as of 2025 H2.

The domestic landscape was markedly heterogeneous. On the one hand, the BET benchmark index of the Bucharest Stock Exchange posted an advance twice higher than the European average, successively hitting new historical highs. This reflected, among others, a high liquidity level and a capital surplus in search of new investment opportunities, amid the gradual diversification of the investment base and the consolidation of the local capital market.

On the same positive note, visible progress was made in terms of fixed investment, supported *inter alia* by the EU funds under the National Recovery and Resilience Plan (NRRP). By the end of 2025, Romania had absorbed more than EUR 10 billion through the NRRP, with significant portions of the funds channelled to areas such as transports, building renovation for increasing energy efficiency, and education (jointly accounting for more than half of the amounts raised). Stepping up project implementation in 2026 is essential for consolidating investment as the main driver of economic growth in Romania.

Despite favourable indicators in certain segments of the financial system and of the economy, the uncertainties surrounding the budget consolidation process and the overall macroeconomic context prompted a significant deterioration of consumer confidence. Consequently, the contrast between the performance of some markets and the aggregate economic sentiment highlighted the persistence of an environment marked by prudence and uncertainty, with implications for the consumption, saving and investment behaviour.

Nonetheless, the prudential position of the banking sector in Romania has remained solid, with the main capital adequacy, liquidity and asset quality indicators staying above the European averages, thus consolidating the recent years' positive trend. This robust profile was underpinned *inter alia* by the use and calibration of a broad range of macroprudential instruments, which contribute to strengthening the shock-absorption capacity and containing the build-up of systemic risks.

During 2025, the National Committee for Macroprudential Oversight (NCMO) issued recommendations on the recalibration of capital buffers (i.e. four recommendations following the quarterly analyses on the countercyclical buffer and one based on the annual assessment of the buffer for other systemically important institutions), deciding as follows:

- The applicable countercyclical buffer (CCyB) rate, set at 1 percent as of October 2023, was reconfirmed in each of the four meetings of 2025. With liquidity and profitability indicators of the banking sector remaining at levels above the European averages, this calibration did not affect credit institutions' capacity to finance eligible borrowers (*NCMO Recommendation No. R/1/2025, NCMO Recommendation No. R/2/2025, NCMO Recommendation No. R/3/2025 and NCMO Recommendation No. R/5/2025*).
- Seven systemically important institutions were identified as of April 2026, the same as in the previous year (*NCMO Recommendation No. R/6/2025*).

The year under review also saw the approval of *NCMO Recommendation No. R/4/2025 on government credit guarantee programmes*. The wide outreach of national guarantee programmes, introduced as of 2020, has led to the emergence of a significant portfolio of guaranteed loans, tapped by firms irrespective of size, year of establishment, geographical area or business sector. However, in order for their multiplier effect potential to materialise across the economy, future programmes need to be better targeted, in terms of not only the borrowers, but also the financed activities.

The recommendation is based on three main pillars: (i) developing a general framework to serve as best practices for implementing future credit guarantee programmes, (ii) the need for potential credit guarantee programmes to target areas identified as strategic, and (iii) developing alternative financing instruments to help improve access to finance, in areas that are less serviced by traditional finance.