

Romania Assumes the EU Presidency amid Domestic Turmoil

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On January 1, 2019, Romania assumed the [rotating presidency](#) of the Council of the European Union (hereinafter, the EU presidency) for the first time since joining the European Union (EU) in 2007. The six-month position provides an opportunity for Romania to raise its standing within the EU. However, Romania's EU presidency could be overshadowed by domestic political turmoil and external criticism of its recent justice reforms, which some EU and U.S. officials view as a threat to the rule of law.

EU Presidency

The Council of the EU is considered a key institution that represents EU member state governments and shares legislative responsibilities with the European Parliament. Meetings include ministers from each member state whose portfolios correspond to the policy issue under discussion. The EU presidency organizes and helps set the agenda of council meetings and interacts with the European Commission (the EU's executive body) and Parliament on behalf of member states.

Several significant events are slated to occur during Romania's presidency. The United Kingdom is expected to leave the EU in March 2019, but an exit deal has not yet been finalized. Furthermore, European Parliament elections are scheduled for May 2019, and their outcome could reshape political coalitions and EU policy.

Romania selected "cohesion" as a [guiding principle](#) for its presidency, anchoring four [pillars](#) for action: socioeconomic convergence, security, global engagement, and common values. Romania is scheduled to be the last presidency under the current EU legislative cycle. One of its priorities is to help resolve outstanding policy issues, potentially including the 2021-2027 EU budget. Romania also seeks to bolster its case for joining the EU's passport- and visa-free Schengen Area.

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Political Issues

The Social Democratic Party (PSD) has led Romania's government coalition since 2017, and Viorica Dancila has served as prime minister since 2018. However, PSD leader Liviu Dragnea, who presides over the lower chamber of Romania's parliament, is widely regarded as the [most powerful politician](#) in Romania. Dragnea is ineligible to serve as prime minister due to a previous conviction for electoral fraud, and he is under investigation in two additional corruption cases. President Klaus Iohannis, who was elected in 2014 with the support of the National Liberal Party, is a frequent critic of the PSD government's policies.

Although corruption remained a serious issue after Romania joined the EU in 2007, EU officials [praised](#) the country's anti-corruption efforts, in particular the work of the powerful National Anti-corruption Directorate (DNA). The DNA's prosecutors have convicted thousands of officials—including former ministers and one prime minister—for corruption.

At the same time, since 2017 the PSD government has initiated judicial reforms that some critics believe could undermine the rule of law and benefit Dragnea and [numerous other PSD officials](#) who are under investigation for corruption. The [proposed criminal code changes](#) would decriminalize certain corruption offenses, reduce sentences, and limit investigations. A new prosecutorial unit is to investigate judges and prosecutors, and the president's role in appointing and dismissing prosecutors has been reduced.

Critics also maintain that the PSD-led government is trying to defang the DNA. The government ordered the [dismissal](#) of the DNA's chief prosecutor for overstepping her mandate—a move that President Iohannis criticized as unfounded. Dragnea claims that the DNA is part of a "[parallel state](#)" seeking to subvert the government with fabricated corruption charges.

In June 2018, the United States and 11 other countries released an [open letter](#) urging Bucharest to refrain from enacting proposed judicial changes. In November 2018, the European Commission issued its most critical [report](#) to date on the rule of law in Romania, and the European Parliament concurrently passed a similarly critical [resolution](#). In response, Romania's government accused the EU of [treating Romania like a second-class member state](#) and violating its sovereignty. Dragnea urged the government to issue pardons for victims of the judiciary's "[injustices and abuses](#)." Some analysts warn that Romania could follow in the footsteps of [Hungary and Poland](#), whose governments also have run afoul of the EU over rule-of-law issues.

The judicial reforms also prompted domestic political upheaval, including Romania's largest demonstrations since 1989. In September 2018, Dragnea survived an internal challenge to his leadership of the PSD after several [critics](#) complained that his corruption convictions harm the party's reputation. In November, the government tried to replace several ministers who [criticized Dragnea](#). Prime Minister Dancila survived a no-confidence vote in December.

Romania's domestic turmoil and concerns about the rule of law have prompted some EU officials, including the [European Justice Commissioner](#) and [Commission President Jean-Claude Juncker](#), to question whether the country can meet the extensive organizational demands of the EU presidency. President Iohannis has warned that Romania's government is "[totally unprepared](#)." Finland's government, which is scheduled to take over the EU presidency in July 2019, reportedly [outlined contingency plans to start its term early](#).

Issues for Congress

The United States regards Romania, a NATO member since 2004, as a steadfast partner. Members of Congress may have an interest in the potential regional security implications of Romania's political upheaval and its strained relations with the EU. Although some U.S. partners in the Black Sea region seek to cultivate positive relations with both the United States and Russia, Romania's foreign policy is firmly

oriented toward the West. Among EU member states, Romania was a strong advocate of imposing [sanctions](#) against Russia following its 2014 annexation of Ukraine's Crimea region. Recent [tensions](#) in the Black Sea further underscore Romania's geostrategic importance.

The extensive security cooperation between the United States and Romania builds on a Strategic Partnership signed in 1997 and a 2005 Defense Cooperation Agreement. The [Aegis Ashore Missile Defense System](#) in Deveselu, Romania, became operational in 2016. It is a component of a missile defense initiative intended to protect Europe from missile threats. Over the last two decades, Romania also has contributed troops to multinational operations in Kosovo, Afghanistan, and Iraq, and it hosts NATO's Multinational Division Headquarters South East. Since 1993, Romania has participated in a [State Partnership Program](#) with the Alabama National Guard.

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