

Policy and calendar for phasing out support for fossil fuels export transactions
Exim Banca Romaneasca as Export Credit Agency

Noting the targets and commitments of Romania as provisioned by:

- ❖ Strategy for Sustainable Development of Romania 2030, approved by Government Decision no.877/2018.
- ❖ National Integrated Plan for Energy and Climate Change (PNIESC) 2021-2030, approved by Government Decision no. 1076/2021.
- ❖ Government Emergency Ordinance no.108/2022 of 30.06.2022, approved by the Law no. 334/2022 regarding decarbonization of the energy sector with further amendments.
- ❖ Government Decision no. 1.215 /29.11. 2023 regarding the approval of the Long TTERM Strategy of Romania for reducing greenhouse gas emissions - Neutral Romania in 2050;
- ❖ Paris Agreement, ratified by Law no. 57/2017, that establishes the maximum 1,5 °C limit.

Exim Banca Romaneasca in the name and on the account of the state (NCS) as official institution for export credit support (Romanian *Export Credit Agency*) will follow the calendar below for phasing out support for fossil fuels export transactions:

1. Since 28.12.2021

Exim Banca Romaneasca NCS is not granting official support export credit instruments in the name and on the account of the state for contracts that have as object:

- a) The export of new coal-fired electricity generation plants or parts thereof, comprising all components, equipment, materials and services (including the training of personnel) directly required for the construction and commissioning of such power stations. The addition of a new coal-fired electricity generation unit to an existing plant is deemed to be a new coal-fired electricity generation plant.
- b) The export supply of equipment to existing coal-fired electricity generation plants, unless all the following conditions are met:
 - The purpose of the equipment supplied is air pollution abatement, water pollution abatement, or CO2 emissions abatement.
 - The equipment supplied induces neither an extension of the useful lifetime of the plant nor a capacity increase.

The prohibitions set out in paragraphs a) and b) above do not apply to:

- (i) coal-fired electricity generation plants that operate with effective carbon capture utilization and storage (CCUS)
- (ii) facilities or the retrofitting of existing coal-fired electricity generation plants to install CCUS, as provided for under Project Class B, Type 1 of Appendix I of Annex I - *Climate Change Sector Understanding* to the *OECD Arrangement* transposed in the *EU Regulation no.1233/2011*, with further amendments).

2. Before 31.12.2026, Exim Banca Romaneasca NCS will develop and implement:

- Carbon emissions calculation methodology, including methodology for carbon footprint calculation.
- Methodology for monitoring the greenhouse gas (GHG) emissions of projects that use fossil fuels,

for the official support for export credit products portfolio

3. Between 2032-2050:

Having regard for the fact that the transition to a low carbon emissions energy system involves at least supporting the investment projects that ensure the good functioning of existing energy systems on the short and medium term, for ensuring the security of primary energy resources supply and the security of the conveyance of these resources, up to the moment when hydrocarbon resources will be less relevant as compared to green options:

- a. **Starting January 1st, 2032**, Exim Banca Romaneasca NCS will not grant official support instruments for export credit in the name and on the account of the state for projects of exploration, generation, transportation, storage, refining and distribution of fossil fuels (coal and oil) as well as for unabated projects of energy generation.
- b. **Starting January 1st, 2050**, Exim Banca Romaneasca NCS will not grant official support instruments for export credit in the name and on the account of the state for projects of exploration, generation, transportation, storage, refining and distribution of fossil fuels (gas) as well as for unabated projects of energy generation.

Notwithstanding the above commitments, Exim Banca Romaneasca NCS may support projects in these sectors that respect the limits and targets established by the Paris Agreement. To this end and to ensure the transparency of the projects that may continue to benefit from official support Exim Banca Romaneasca NCS will establish specific terms and conditions, along with the national authorities in charge and with expertise in the field of climate change.

Exim Banca Romaneasca NCS will publish on www.eximbank.ro on yearly basis, information regarding the officially supported fossil fuel projects.

The current document will be updated according to the commitments of Romanian state expressed in national policies as well as considering the officially supported export credits policies of European Union and OECD.