Big news for Romanian businesses: Order No. 1421/2025 of the Ministry of Finance shakes things up!

Romania postpones CSRD reporting deadlines

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New rules grant companies a two-year extension for sustainability reporting, offering breathing room for compliance.

Romania has officially transposed the "Stop-the-Clock" Directive (EU Directive 2025/794) into national legislation through Order No. 1421/2025 issued by the Ministry of Finance ("Order 1421/2025"). This measure delays the reporting obligations for certain companies under the Corporate Sustainability Reporting Directive (CSRD). The "Stop-the-Clock" Directive is part of the EU's Omnibus legislative package and was introduced to ease the regulatory burden and provide companies with additional time to prepare for CSRD compliance.

Order 1421/2025 was published in the Official Gazette and has been in force since 22 August 2025. It modifies previous regulations, specifically Order No. 85/2024 issued by the Ministry of Finance, by pushing back the start dates for mandatory sustainability reporting requirements.

This article follows our previous update on the new ESG reporting obligations introduced through Order No. 85/2024, published on 20 December 2024. You can find further details *here*.

In this article, you will learn about:

- Which sustainability reporting deadlines have been extended under Order 1421/2025.
- Which companies benefit from the two-year postponement.
- Practical steps companies should take to prepare.

1 Romania aligns with the "Stop the Clock" Directive

Order 1421/2025 postpones CSRD reporting deadlines by two years for certain companies.

According to Order 1421/2025, the ministerial orders governing financial reporting – namely Order No. 1802/2014 and Order No. 2844/2016 (regarding International Financial Reporting Standards (IFRS)) – have been updated to include references to the "Stop-the-Clock" Directive. At the same time, Order No. 85/2024, which had previously established a phased implementation of sustainability reporting, has been amended as follows:

- Reporting deadlines initially set for 1 January 2025 have been postponed to 1 January 2027.
- Reporting deadlines initially set for 1 January 2026 have been postponed to 1 January 2028.

1.1 Who benefits from the delay?

The reporting obligation will now apply starting with the 2027 financial year (reporting due in 2028), instead of 2025, as well as with the 2028 financial year (reporting due in 2029), instead of 2026, as follows:

1.1.1 Beginning 1 January 2027 (financial year 2027, reporting in 2028) for:

- Medium-sized and large entities which, at the balance sheet date, exceed at least two of the following three thresholds:
  - ✓ Total assets: RON 25,000,000;
  - ✓ Net turnover: RON 50,000,000; and
  - ✓ Average number of employees during the financial year: 50

  (as per Ministry of Finance Order No. 1802/2014).
- Parent companies of large groups

  (as per Ministry of Finance Order No. 1802/2014).
- Medium-sized and large entities (legal entities governed by accounting regulations aligned with the IFRS applicable to certain state-owned entities) which, at the balance sheet date, exceed at least two of the following three thresholds:
  - ✓ Total assets: RON 25,000,000;
  - ✓ Net turnover: RON 50,000,000; and
  - ✓ Average number of employees during the financial year: 50

  (as per Ministry of Finance Order No. 2844/2016).
- Entities that are parent companies of large groups

  (as per Ministry of Finance Order No. 2844/2016).

1.1.2 Beginning 1 January 2028 (financial year 2028, reporting in 2029) for:

- Entities listed on regulated markets and which do not exceed the following thresholds:
  - ✓ Total assets: RON 25,000,000;
  - ✓ Net turnover: RON 50,000,000; and
  - ✓ Average number of employees during the financial year: 50
    (as per Ministry of Finance Order No. 2844/2016).

2 What should companies do next?

This postponement provides a welcome window to prepare for their new reporting obligations.

Companies should use this time to strengthen governance structures, assess materiality and prepare for the eventual CSRD requirements. Recommended actions include:

- Reviewing internal reporting processes and ESG data readiness.
- Monitoring further regulatory developments and guidance from Romanian authorities.
- Engaging with legal and sustainability advisors to prepare for 2027 compliance.

The postponement is not a cancellation – strategic planning remains essential.

3 Conclusion

Order 1421/2025 provides a two-year extension for sustainability reporting. While this delay offers valuable time to prepare, businesses should continue strengthening ESG practices and planning for future compliance, turning a regulatory change into a strategic advantage.

About Wolf Theiss

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