



LEGAL NEWSLETTER - JANUARY 2014

CONTENTS

I. LEGAL UPDATES

GENERAL pg. 2

1. **Law no. 4** regarding the economic activities led by authorized natural persons, individual enterprises and family businesses.
2. **Law no. 5** regarding cross-border information exchange on traffic violations affecting road safety and for facilitating the enforcement of sanctions applied for violations.
3. **Circular no. 1** regarding the reference interest rate of the National Bank of Romania.

AGRICULTURE pg. 3

1. **Order no. 1515** approving the introduction of the new quality certification mark for bottled wines with origin and geographical indication and establishing the amount of the fee for the annual authorization of the vineyards intending to obtain grapes for producing wines with origin designation or with geographical indication; the amount of the fee for the certification of the right to use the origin or the geographical indication for wine sales.
2. **Law no. 383** regarding beekeeping.

ENERGY pg. 4

1. **Resolution no. 1096** approving the free transitional allocation mechanism of the greenhouse gas emissions certificates to the electricity producers for 2013-2020, including the National Investment Plan
2. **Order no. 113** concerning the conditions in which the supply of electricity is ensured for the end user customers by the providers of last resort
3. **Procedure** for the approval of new or refurbishment projects for the cogeneration plants
4. **Order no. 97** approving the rules on the acquisition of electricity for covering its own consumption associated with the electricity networks



II. LEGAL PROJECTS IN DEBATE

GENERAL

pg. 5

1. **Ordinance** for regulating measures in banking

AGRICULTURE

pg. 6

1. **Order** approving the rules on the organization of the system of inspection and certification in organic agriculture
 2. **Order** attesting food products resulting from established Romanian recipes
-

LEGAL UPDATES

GENERAL

1. **Law no. 4 regarding the economic activities led by authorized natural persons, individual enterprises and family businesses**

According to the new law, (Government Emergency Ordinance no. 44/2008) regarding economic activities undertaken by authorized natural persons, individual enterprises and family businesses it will contain new provisions regarding the wife/spouse of the individual enterprise titular/authorized natural person.

Authorized natural persons or those performing activities in an individual enterprise are required to request the registration in the trade register the participation of the wife/spouse to the activity of the individual enterprise/authorized natural person, based on the affidavit and the marriage certificate.

The wife/spouse of the individual enterprise titular/authorized natural person can insure herself/himself in the public pension system based on a social insurance contract, in the unemployment insurance system by concluding an unemployment insurance contract, as well as in the health insurance system in the conditions provided by law.

2. **Law no. 5 regarding certain measures for facilitating the cross-border information exchange on traffic violations affecting the road safety and for facilitating the enforcement of the sanctions applied for these violations**

The law aims to facilitate the exchange of cross-border information between the competent Romanian authorities and from the other member states or from the participating states regarding the violations of traffic regulations affecting the road safety. This will happen when the violation was committed with



a vehicle registered in a member state or a participating state, other than the state in which the act was committed. In addition it will facilitate the enforcement by the Romanian authorities of the applicable sanctions for violations committed in Romania with vehicles registered in other member states and in the participant states. The law is applicable for the following traffic violations: speeding, not wearing a seatbelt, failure to comply to a red traffic light, driving under the influence of alcohol, driving under the influence of drugs, use of a forbidden lane, using a mobile phone or other communication devices while driving.

3. Circular no. 1 regarding the reference interest rate of the National Bank of Romania

Starting with the 9th January 2014, the level of the reference interest rate of the National Bank of Romania is of 3.75% per year.

AGRICULTURE

1. Order no. 1515 approving the introduction of the new quality certification mark for bottled wines with an authorized designation of origin and geographical indication, and establishing the annual fee for the authorization of the vineyards intending to obtain grapes for producing wines with an authorized designation.

According to the normative document, the vineyards registered in the Vineyards Registry are subject at the producers request to an annual authorization which will verify compliance with the specifications for obtaining wines with an authorized origin designation or wines with a geographical indication.

It is mandatory to apply on the labeling system of wines the new quality certification mark on each bottled product unit that is to be sold.

The right is granted on request after the quality examination of wines, in the tasting committee and fulfilling the conditions established in the specifications.

Wines can be sold without applying the new quality certification marks for wines with controlled origin designation and geographical indication until the 1st April 2014.

2. Law no. 383 regarding beekeeping

By adopting the law it is intended to establish the legal framework regarding the regulation of the beekeeping activity in order to protect the bees.

The activity can be practiced by any natural or legal person whose beehives are registered in the agricultural Register at the veterinary and food safety county, respectively Bucharest directorate, who holds the apiary card and has the beehives identified in the unitary system for identifying apiaries and hives.

The beekeepers who place the apiaries in pastoral or wintering grounds are required to provide to the local authorities the location, the period, the number of beehives, as well as the address of the hives holder, ensuring their records and also the protection of the beehives against chemical treatment.



The guided pollination of the entomophilous agricultural crops by bees is done based on contracts concluded between the beehives owners and the crops holders.

In order to prevent the poisoning, the holders of agricultural and forest crops who perform chemical treatments on the agricultural and forest crops that they own must notify in writing the local councils at least 48 hours prior to the treatment, as well the name of the product used.

ENERGY

1. Resolution no. 1096 approving the free transitional allocation of greenhouse gas emissions certificates to the electricity producers for 2013-2020, including the National Investment Plan

The resolution aims as well as the National Investment Plan to establish the legal and institutional framework for approving the free transitional allocation mechanism of the greenhouse gas emissions certificates to the electricity producers for 2013-2020..

This applies to the electricity producers that have installations which were in operation until 31st December 2008 or whose investment process was initiated by the same date. They shall be allocated free transitional greenhouse gas emission certificates, under the condition of using the allowances allocated for the certificates for exclusively financing the investments referred to in the National Investment Plan.

The free transitional allocation of the greenhouse gas emission certificates is done annually. These are issued to the operator in the Unique Register only after the proof of payment of their value.

The certificates issued to the operator can be used in accordance with the legislation concerning trading scheme of greenhouse gas emission certificates.

2. Order no. 113 from 18th December 2013 concerning the conditions of electricity supply to the end customers.

According to the order, by the 31st January 2014, the providers have the obligation to notify in writing the non-household end use customers of the following aspects:

- The cessation of applying the regulated tariffs starting with the 1st January 2014;
- The options that the non-household end user customers have regarding the supply of electricity due to the total elimination of the regulated tariffs and the applicable prices for each category;
- Ensuring the electricity supply under the existing electricity supply contract.

Until the designation of the final providers, the designated providers under the Order of the president of the National Regulatory Authority in Electricity, which have the obligation to supply electricity to the end user, who is no longer in the position of being supplied become last resort providers for the end user customers that have not used their eligibility or that provide energy to the universal supply system.



3. Procedure for the approval of new or refurbishment projects for the cogeneration plants

The normative act establishes the responsibilities, the conditions, the steps and the necessary documentation for the analysis by the ANRE of new or refurbishment projects for the cogeneration plants in order for them to grant the accreditation and registering the high efficiency cogeneration of electrical capacity production that can benefit, under the law, from the support scheme for promoting the high efficiency cogeneration based on the effective heat energy demand.

The request for issuing the accreditation is made by a natural or legal person in one of the following situation during the course of an investment project:

- The investment project for one or more new or refurbished cogeneration units is in an advanced stage and the demand for the annual effective heat energy ensured by this unit /these units is being established;
- The investment project for one or more new or refurbished cogeneration units is in an advanced stage of construction – building-up/reception at the completion of the work, the unit/units being scheduled to enter in commercial exploitation.

4. Order no. 97 approving the rules on the acquisition of electricity for covering its own technological consumption associated with the electricity networks

The network operators purchase electricity on a medium and long term from the centralized markets of the bilateral contracts of electricity and they are entitled to conduct sale-purchase operations on the market on the following day market and the intra-daily market only for covering its own technological consumption, for the electricity networks.

For the purposes of this order, by network operator it is understood the transport and system operator and the distribution operators. Each network operator is registered as a responsible party for the separate equilibration for purchasing electricity in order to cover the OTC.

In order to minimize the costs with imbalances, the network operators have the right to transfer the responsibility of equilibration to any responsible party that is registered at the transport and system operator.

LEGAL PROJECTS IN DEBATE

GENERAL

1. Ordinance for regulating measures in banking

The ordinance aims to establish the framework and conditions for emitting bonds granted with receivables by the issuers, legal Romanian persons, as well as regulating the rights and obligations of the owners. The National Bank of Romania is the authority that issues the authorizations, having a



supervisory role in the domain at the same time. The ordinance provides detailed issues relating to regulating the bonds.

AGRICULTURE

1. Order approving the rules on the organization of the system of inspection and certification in organic agriculture

The order establishes the conditions that will have to be complied with by the entities to which the Ministry of Agriculture and Rural Development (MARD) will delegate inspection and certification attributions for organic food products. The applications must be submitted by the 31st January of each year accompanied by the necessary documentation. MARD will decide to which entities the approval certificates will be granted to for groups of products for one year. The order establishes the attributions of these entities in relation with different structures, but also the conditions in which the certification can be revoked or penalties may be imposed.

2. Order attesting food products resulted according to the established Romanian recipes

The order sets out the conditions that must be met by the operators in the food sector engaged in activities in production and trade of food products resulted according to the established Romanian recipes in order to be registered in the National Registry of Established Recipes (NRER). The Food Industry General Directorate will prepare a list of established recipes that will be updated every 6 months. The operators interested in obtaining the registration in the NRER will have to submit the required documentation to the local or Bucharest Directorate of Agriculture, afterward the accuracy of the documents is to be verified and the results included in a report. In case the certification has been denied, a new application may be filed after fixing the causes that led to the rejection. The products for which the certification is obtained will have to be marked with the logo of the established recipe set up by the order.

Disclaimer: The legal newsletter is a selection of legal updates with purely informative purpose and cannot be considered professional advice. For any questions or concerns regarding the information contained in the newsletter, please do not hesitate to contact us.

CONTACT:

BWSP Hammond Bogaru & Associates

Attorneys at Law

Nicolae Caramfil no. 61B ST, District 1, Bucharest 014142, Romania

Telephone: 021 326 60 53 | Fax: 021 326 60 60 | admin@hbalaw.eu | web: www.hbalaw.eu