



LEGAL NEWSLETTER – OCTOBER 2014

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LEGAL UPDATES

GENERAL

1. Order no. 1168 for the revision of the interest rate for the treasury certificates for the population converted into deposits at the State Treasury

According to the new legal dispositions, starting with the 1st October 2014, the interest rate for the treasury certificates for the population converted into deposits at the State Treasury will be of 3,00% per year.

2. Circular no. 30 regarding the interest rate paid on the mandatory minimum reserves made in USD starting with the application period 24th August – 23rd September 2014

The Board of the National Bank of Romania has decided that starting with the application period 24th August – 23rd September 2014, the interest rate paid for the mandatory minimum reserves made in USD is of 0,13% per year.

AGRICULTURE

1. Order no. 1329 approving the Methodological norms for the application conditions of the measure of ensuring the grape harvest for the wine, eligible for financing under the National Program for supporting Romania in the wine sector 2014-2018

The Methodological norms establish the eligibility conditions for granting the financial aid to the producers (individuals or entities) in the wine sector who ensure the vineyards harvest with grapes varieties for wine. The eligibility conditions that the beneficiaries must meet are the following : to prove the fact that they exploit an area planted with varieties of vineyard grapes for wine of minimum 0.1 ha, to prove the registration in the vineyard Register of the area planted with vineyard grapes for wine for which the insurance policy of the harvest was concluded and to conclude with an insurer an insurance policy of the harvest in which there should be mentioned at least the quantity of grapes for wine insured, the corresponding area, its location and the insurance premium.

The value of the financial aid can be between 50% and 80% of the cost of the insurance premiums paid by the producers for the insurance. Financial aid won't be available for : ensuring the harvest of the vineyards with table grapes, the vineyards with hybrids direct producers (Noah, Othello, Isabelle, Jacques, Clinton and Herbemont) and for ensuring the harvest of the vineyards that are subject to the research projects and measures destined to support such projects.

- 2. Order no. 1398 for the amendment of the annex to the Order of the Deputy Prime Minister, the minister of agriculture and rural development, no. 573/2014 for approving the implementation method, the specific conditions, the eligibility criteria, the reference terms and the model of application for granting the national transitory aids in the livestock sector for the bovine and ovine/goats species and the specific aids for the cow milk and beef producers and the producers of milk and meat from ovine/goats from deprived areas in 2014**

The Agency for Payments and Intervention in Agriculture will prepare and submit to the Ministry of Agriculture and Rural Development the centralized situations of the livestock/the quantities of milk delivered and/or sold as directly eligible, in order to establish the amount of the aids by the 1st December 2014 and for the decoupled production scheme in the milk sector and for the decoupled production scheme in the meat sector.

ENERGY

- 1. Order no. 82 for the approval of the Regulation for organizing and functioning of the following day electricity market in compliance with the price coupling mechanisms for the markets and the amendment of the normative acts governing the following day electricity market**

The Regulation will come into effect starting with the 11th November 2014. Its purpose is to establish the framework for the organization and functioning of the following day electricity market under the conditions of implementing the price coupling mechanism for the markets, i.e.: the activities carried out by the involved parties, their parts and responsibilities, the way of organizing the offerings, the principles of establishing the transactions and the principles for settling the transactions.

The Regulation will be applied : to the holders of production/supply/distribution licenses in the electricity sector and to the individuals who are entitled, according to the Law of electricity and natural gas no. 123/2012, to commercially exploit energetic capacities without holding a license, the operator of the electricity market and to the operator of transport and system. This regulates the method and the conditions for participating to the following day market, and the conditions applicable to the offers placed. There are established strict rules for the transactions concluded on the following day market.

- 2. Order no. 1075 for the approval of the State aid scheme granted in 2014-2019 to the economic operators providing the general economic interest service of production, transport, distribution and supply of heating energy in a centralized system to the population**

The State aid scheme included the conditions for granting the state aids for covering in 2014-2019, of the costs registered by the economic operators following the supply of the public service of supplying heat energy in a centralized system.

The State aid scheme is applied to the economic operators who provide the general public interest service: production, transport, distribution and supply of heat energy for the population in a centralized system. The beneficiaries of the state aid are the economic operators who provide the heating public service and meet the conditions stipulated by the state aid scheme. The beneficiaries must meet the following eligibility conditions: the compensation they benefit from for the public service obligation does not exceed the annual value of 15 mil. Euro, in LEI equivalent and the period for which the provision of the general economic interest service was entrusted with them, respectively production, transport, distribution and supply of heat energy for the population does not exceed 10 years.

The total estimated value of the state aid that will be granted for 2014-2019 is, according to the scheme, of 2.570 mil. LEI. In addition, it is estimated that the number of beneficiaries of the scheme will be of maximum 55 economic operators.

3. Order no. 85 approving the Regulation for the organization and functioning of the commissions for settling the disputes/differences regarding the access to the networks/systems in the energy field

The National Regulatory Authority in the Energy Sector is the one that settles the disputes regarding the access to the networks in the electricity sector and the differences regarding the access to the systems in the natural gas sector. The Regulation applies to the licensed operators in the energy field, as they are stipulated in Law no. 123/2012.

In order to resolve the disputes/differences regarding the access to the networks/systems in the energy field, it is necessary to follow the next steps: resolving at the licensed operators in the energy field level and then resolving at the competent Authority level. The Regulation establishes rules to follow within each of the two procedures.

4. Order no. 83 approving the Regulation for authorising the individuals engaged in activities in the natural gas sector

The purpose of the Regulation is to establish the conditions, terms and procedures for granting, suspending and revoking the status of authorised installer in the natural gas field to the individuals for the activities of projection, execution and exploitation of the objectives/systems/plants in the natural gas field.

The authorised installer status is gained based on an exam, when obtaining the initial ticket for a type of authorisation or, in the situations stipulated by the Regulation, based on a file. The ticket obtained is nominal and cannot be transmitted to other persons. To extend the validity of the authorised installer ticket, the applicant must follow two theoretical courses, with a duration of minimum 20 hours each, corresponding to the type of authorisation requested.

LEGAL PROJECTS IN DEBATE

GENERAL

1. Law amending and completing the Companies Acts no. 31/1990

The draft law proposes the amendment of art. 11 paragraph (1) of Law 31/1990. Following these amendments, the share capital of a limited liability company will not be less than 2000 lei, this can be divided in equal shares, which cannot be less than 20 lei.

AGRICULTURE

1. Resolution approving the Methodological Norms of applying the provisions of Law no. 101/2014 regarding the regulatory measures for depositing the consumption seeds and their deposit certificates regime

The methodological norms will regulate the following issues: the deposit licenses regime, the consumption seeds storage, the regime of the deposit certificates in a material form, the funding guarantee scheme based on deposit certificates in a material form and establishing the contraventions of the law and the penalties that are applied.

It is provided that the deposit license is granted after verifying the way of meeting the financial and technical performance conditions/obligations for the food safety, grading and storage stipulated by the methodological norms. This can be obtained from the Commission for granting the deposit licenses, a newly established authority. In addition, according to the methodological norms, depositing the consumption seeds is done based on the deposit agreement, which is concluded between the depository and the depositor or in the situation when the depository also has the depositor status, he is subrogated to the rights and obligations stipulated by the law and the methodological norms and has the obligation to prepare accounting management documents that prove the existence, in the deposits for which he owns a deposit license, of the personal consumption seeds stock, for which he has filled in deposit certificates on the certificates issuing date, as well as monthly, for the validity period.

2. Resolution regarding the approval of the minimis scheme « Compensatory specific aid granted for the vegetal exploitations registered in the organic farming system »

The scheme's purpose is to grant additional payments for the vegetal exploitations registered in the organic agriculture system, its total estimated budget being of 10.600.000 lei. This will be applied in the period between 01.10.2014-31.12.2014, the estimated number of beneficiaries being of approximately 9600.

The beneficiaries of the minimis scheme are the companies that hold vegetal exploitations registered in the organic agriculture system and that are under contract with an inspection and certification entity



accredited on the European Union territory/approved by the Ministry of Agriculture and Rural Development.

The minimis aid project also stipulates the eligibility criteria that the beneficiaries must meet, but also the procedural rules that must be followed.

3. Order regarding the designation of the inspection entity for the application equipment of the plant protection products and its responsibilities

Through the draft law the National Plant Health Agency is designated, through the county and Bucharest plant health Units, under the technical coordination of the National plant health Agency and in the structure of the county and Bucharest agriculture Departments, as an entity that performs the inspection of the equipment for applying the plant protection products. Through the order there are established the attributions of the inspection entities and the functioning way of the test centres.

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