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**Research**

The Companies Law No. 31/1990, republished in 2004 and further amended and completed ('the Companies Law') and the Capital Market Law No. 297/2004, as further amended and completed ('the Capital Market Law'), represent the primary sources of law relating to the corporate governance of listed companies in Romania. In addition, as an independent agency the securities regulator, the National Securities Commission ('CNVM') may issue legally binding regulations. At the end of 2011, in the context of the undertakings of the Romanian government in relation to the International Monetary Fund ('the IMF'), Government Emergency Ordinance No. 109/2011 concerning the corporate governance of public enterprises ('GEO No. 109/2011') was passed. This legal enactment sets forth specific statutory rules for the corporate governance of enterprises controlled by the Romanian state (a significant number of the targeted companies that are listed on the Romanian regulated markets or that are envisaged for listing in the near future). The legislative activism in this field aims to increase corporate responsibility, including by imposing stricter appointment and remuneration conditions for the executives of these companies or additional protection measures for the minority shareholders.

The Bucharest Stock Exchange ('the BSE'), historically Romania's most important regulated market, has adopted the Corporate Governance Code, which sets forth the principles and recommendations for the corporate governance of companies listed on the BSE. The Code is inspired by the OECD Principles of Corporate Governance. The Code may be voluntarily adopted by the companies listed on the BSE. According to BSE Corporate Governance Code, however, the shares of a listed company may be maintained on the market's Tier I subject to the issuer's statement that it has observed at least 14 of the 19 principles of the Code in the last calendar year. In addition, the shares of a listed company may be promoted from the market's Tier II to Tier I subject to a similar statement (among other requirements). Currently, there are 24 listed companies whose shares are ranked in Tier I out of the 77 domestic companies listed on the BSE.

The BSE also established the Corporate Governance Institute in 2003, whose aim is to raise Romania's managerial culture to international standards and encourage companies to comply with the OECD Principles of Corporate Governance.

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