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Legal Bulletin

November-December 2010

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Legal Bulletin

Administrative Law

Name of the enactment	Government Emergency Ordinance No. 105/2010 on the approval of the National Program for the Development of Infrastructure ("GEO No.105/2010")
Publication	Official Gazette of Romania, Part I, No. 790 of 25 November 2010
Entry into force	25 November 2010
Main provisions	GEO No.105/2010 adopts the National Program for the Development of Infrastructure (the "**Program**"), which is attached effectively in the corresponding annex. The necessity of adopting this enactment is motivated in the preamble, where it is showed that the status of the infrastructure conditions the economical development, affecting the business background and having in the same time social and environmental consequences. Besides, it is specified that the implementation of the Program will have as a purpose the modernization of the infrastructure according to the European standards, that it will stimulate the obtaining of investment projects and the economical growth and will enhance the creation of jobs.

By the provisions of GEO No.105/2010, the conditions of using the necessary credits are established for the putting into practice the Program. Thus, the budgetary and the engagement credits which are approved for the projects set forth in the corresponding annex cannot be transferred and used for other purposes.

The unused engagement credits established for the year 2010 will be carried forward for the same purposes for the following years.

The budgetary credits established for the current year, which have not been used by the end of the financial year and which are not affected by payment obligations will be considered in the following years in respect of the total value approved for each project and of the amounts approved for the fiscal-budgetary strategy, without the increase of the total yearly approved expenses.

The obligations of the credit managers are indicated in the provisions of the GEO No.105/2010, which provides among others that the credit managers will have to notify to the respective suppliers the amounts included in the Programme as budgetary credits within 30 calendar days from the approval of the state's budget and of the yearly budgetary rectifications.

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In the same time, the credit managers must perform and revise together with the supplier the physical and the value execution/delivery graphics. The credit managers have also the obligation to conclude handover minutes in respect of the ordered services, works and products within the limits of the yearly and quarterly budgetary credits which have been approved with this purpose, as long as services, works and products have been supplied / delivered in compliance with the contractual provisions.

The application of the provisions of GEO No.105/2010 regarding the carrying forward of the unused engagement credits, the unused budgetary credits or the possible redistribution between the financing sources can be performed only by Government's decision, further to the request of the relevant ministries.

The breach of the above mentioned provisions can imply the material, disciplinary or criminal liability of the responsible persons.

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Banking Law

1 Amendment of the capital requirements and of the norms concerning the supervisory review of remuneration policies applicable to credit institutions

Name of the enactment

Law No. 231/2010 approving the Government Emergency Ordinance No. 26/2010 for the amendment and supplementation of the Government Emergency Ordinance No. 99/2006 on credit institutions and capital adequacy and other enactments

Publication

Official Gazette of Romania, Part I, No. 826 of 10 December 2010

Entry into force

13 December 2010, with the exception of certain provisions which come into force on 31 December 2010 and on 1 January 2011

Connections with other enactments

Government Emergency Ordinance No. 99/2006 on credit institutions and capital adequacy (the "**Banking Law**")

Connections with enactments applicable at the EU level

Directive of the European Parliament and of the Council amending Directives 2006/48 and 2006/49 as regards capital requirements for the trading book and for re-securitisations, and the supervisory review of remuneration policies

Main provisions

The amendments brought to the Banking Law are intended to reflect in the Romanian law the provisions of Commission Directive 2010/16/EU of 9 March 2010 and of the Directive of the European Parliament and of the Council amending

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Directives 2006/48 and 2006/49 as regards capital requirements for the trading book and for re-securitisations, and the supervisory review of remuneration policies.

Thus, the first major amendment concerns the express insertion of remuneration policies and practices compliant with a sound and proficient management of risks in the framework of credit institution management activity. In addition, the National Bank of Romania ("**NBR**") shall be authorized to collect information on the number of persons receiving a remuneration which exceeds EUR 1 million, or the equivalent thereof, and to report information in connection with such persons to the Committee of European Banking Supervisors.

In the same respect, the credit institutions shall be bound to establish internal regulations on remuneration policies and practices.

At the same time, it is emphasized the importance of NBR's cooperation throughout the authorization procedures with the National Office for Prevention and Control of Money Laundering, for obtaining information on the entities subject to authorization.

As to the corporate management bodies, it is expressly provided that the activity thereof is governed not only by the general regulations on companies, but also by the norms issued by NBR in implementing the European principles, rules and practices in matters involving the corporate governance of credit institutions.

As to the publication requirements applicable to credit institutions, it is established the credit institutions' obligation to adopt formal policies in compliance with such requirements, including with respect to the assessment of the degree of adequacy of the information supplied in order to provide the public with a full image of their risk profile. Should the published information fail to secure the fulfillment of this latest requirement, the credit institutions shall have to publish additional information, inasmuch as they are significant and may not be classified as being the property of the credit institution or as confidential information, in accordance with the applicable norms.

In addition, it is provided that all publication requirements may be enforceable both at an individual and/or consolidated level, in accordance with the relevant laws.

A new amendment details the principle of sanction individualization and proportionality in matters involving sanctions provided under the Banking Law.

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Again, in terms of sanctions, NBR shall be authorized to establish the need to set a more specific requirement for own funds, in particular cases, exceeding the minimum level required for insuring the risks of the credit institution – under the law.

In addition, it is detailed the application of the sanction of de jure suspension of the rights of vote exercised by the persons purchasing a qualified interest in breach of the legal provisions.

The most important transitional provisions regard the compliance with the principles and rules in the matters of remuneration policies, established under the regulations issued for the application of the Banking Law, which shall be also applied to the remunerations established pursuant to the agreements concluded before 31 December 2010 inclusive, for which payment shall be owed or actually be paid after this date; and to the remunerations owed, but unpaid before 31 December 2010 inclusive, for activities provided in 2010.

2 Amendment brought to the credit agreements for consumers

Name of the enactment	Law No. 288 of 30 December 2010 approving the Government Emergency Ordinance No. 50/2010 on credit agreements for consumers (“**Law No. 288/2010**”)
Publication	Official Gazette of Romania, Part I No. 888 of 30 December 2010
Entry into force	2 January 2011
Connections with other enactments	Government Emergency Ordinance No. 50/2010 on credit agreements for consumers (“**GEO No. 50/2010**”)
Main provisions	The primary aim of the inserted amendments is to clarify the GEO No. 50/2010, to facilitate the application thereof and detail the rights and obligations of the parties to the aforementioned credit agreements.

Thus, it is removed the qualification of credit agreements falling under the scope of GEO No. 50/2010 provisions, such as it was provided by Art. 2 para. (1); however, all the categories of agreements falling outside the scope of the aforementioned provisions are maintained.

It is detailed the manner in which pre-contractual information are supplied to the consumer, on a support of paper or on other enduring support – in terms of font type, dimension and color and of manner of drafting. These requirements shall similarly apply in regard to the credit agreement form. Furthermore, the provisions on the manner in which the pre-contractual information are made available shall also apply to certain credit agreements in the form of "overdraft"

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and to certain specific credit agreements, within the purpose of GEO No. 50/2010.

Law No. 288/2010 repeals Art. 30 para. (3) on the meaning of the concept of "significant increase" of credit value, for the application of the provisions regarding the update of the information provided to the creditor and the re-assessment of the consumer's good standing.

Art. 35 is also amended, by limiting the categories of costs that may not be increased or introduced throughout the performance of an agreement (*inter alia*, by removing the "charge" concept). The same Art. 35 prohibits the application of banking fees in relation to the change of the due date of installments and for the change of granted guarantees, if the consumer pays the fees relating to the establishment and assessment of the new guarantees. The provisions of Art. 36 on fees are supplemented, first of all by adding to the list of "other fees collected by third parties" and by means of supplementing the application of certain expressly provided commissions.

The amendment of Art. 37 brings clarifications on the application of floating rate, which is provided as the sum of a reference index, depending on credit currency and a fixed margin relating to the entire duration of the agreement. On the other hand, let. b) is repealed, which implicitly allows the credit institutions to also change the interest margin in other cases which are not expressly provided under the law. The amendment to let. c) envisages the possibility of credit institutions to reduce the margin or reference indexes, with the possibility to re-use those initially agreed upon – but fails to detail the conditions of such re-use.

The new Art. 37^1 provides for the possibility that consumers duly complying with their payment obligations provided in the respective agreements be re-financed by the institutions with which they concluded the initial agreement, but does not establish a re-financing obligation incumbent on such institutions.

The new para. (1^1) of Art. 38 establishes the current banking practices regarding the possibility of reimbursement by payment of equal or declining installments, the novelty being the consumer's right of option in this sense.

Another novelty is the manner of calculating the penalty interests (which shall be calculated as a fixed percentage and shall not apply to interest arrears). Among the special cases in which the penalty interest is limited, under Art. 38 para. (3), the extended sick leave is eliminated and deadlines are laid down for the application of reduced penalty interests.

The amendments brought to Art. 39 outline the obligations of credit institutions

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in cases where consumers cannot accept the interest increase.

The law supplements the list of prohibited clauses by including those where the creditor may accelerate the credit when the consumer breaches other credit agreements which he concluded with other creditors, and the clauses allowing creditors to impose the conclusion of insurance agreements with preferred insurance companies.

As regards the payments, creditors in leasing agreements shall have the right to refuse to pay the installments in the credit currency; however, the currencies in which they may require the payment are not established. In the absence of express provisions thereon, the relevant provisions of Currency Regulation No. 4/2005 shall be applied.

The period of withdrawal provided by Art. 58 shall not apply to connected credit agreements and leasing agreements.

Art. 66 is supplemented in terms of non-conditioning the advance reimbursement upon the payment of a minimum amount/a certain number of installments.

The consumer's right to be informed in regard to the rights assigned by the creditor is established in all cases, by eliminating the former exceptions.

In the matters of sanctions, it is introduced the possibility to apply certain cumulative fines, for distinct complaints, up to double the amount of the initial values – without expressly stating whether or not such complaints should refer to distinct breaches. It is also amended the complementary sanction of suspending the credit activity, which was replaced with the suspension of the advertising campaign, in breach of Arts. 8 and 9 of GEO No. 50/2010, until the entry into force. Moreover, creditors are obligated to inform NBR on these sanctions, within 2 business days following their application, and the NBR shall consider such information in the frame of its prudential supervision activity.

Finally, as regards agreements in progress, it is provided that they shall not fall under the scope of GEO No. 50/2010 provisions, except for certain articles regarding a potential re-financing, the advance reimbursement and certain provisions on the information and rights provided by the credit agreements, for agreements concluded for an undetermined period of time.

Furthermore, Law No. 288/2010 establishes that the addenda concluded and signed in view of assuring the compliance of credit agreements with the provisions of GEO No. 50/2010shall operate as per the contractual terms agreed

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upon, those not signed by consumers, but considered to have been tacitly accepted pursuant to GEO No. 50/2010 shall operate under the same conditions, unless one of the parties notifies the other party to the contrary, 60 days following the entry into force of the Law No. 288/2010.

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Contracts

Name of the enactment	Law No. 247/2010 for the amendment and supplementation of Law No. 321/2009 concerning the marketing of food products ("**Law No. 247/2010**")
Publication	Official Gazette of Romania, Part I, No. 844 of 16 December 2010
Entry into force	19 December 2010
Connections with other enactments	Law No. 321/2009 on the marketing of food products
Main provisions	The main amendments inserted by Law No. 247/2010 are the following:

- The definitions of certain concepts (i.e. "*consumer*", "*trader*", "*discount*" and "*goods historical cost*") is amended. Moreover, new concepts are inserted (i.e. "*fresh meat*" and "*bonus*").
- The rule of the maximum legal term for payments made by the trader to the supplier is eliminated, being stipulated that it shall be established in the negotiation of the respective agreements. As an exception, for certain products (i.e. fresh meat, milk, eggs, fruit, vegetables and mushrooms) the payment term cannot exceed 30 days.
- The parties may freely establish the applicable penalties under the agreement (including the value thereof) in case of failure to comply or inappropriate compliance with a contractual obligation, without imposing that they be equal, except for the penalties for payment delays and delays in delivering the products, which are established by the parties to be of equal value.
- The competence to ascertain misdemeanors and apply penalties is awarded to the competent control bodies of the Ministry of Public Finance.

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Employment Law

1 Significant novelties in relation to the registration of individual employment contracts and of the documents regarding the performance, suspension, amendment and termination thereof

Name of the enactment	GEO No. 123/2010 repealing Law No. 130/1999 on certain measures to protect employed persons
Publication	Official Gazette, Part I No. 888 of 30 December 2010
Entry into force	30 December 2010
Connections with other enactments	Law No. 53/2003 on the Labor Code
Main provisions	GEO No. 123/2010 repeals Law No. 130/1999 on certain measures to protect employed persons.

Consequently, the provisions regarding the employers' obligation to register individual employment agreements with territorial labor inspectorates are repealed starting from 1 January 2011.

In addition, the provisions on the employers' obligation to submit the documents regarding the performance, suspension, amendment and termination of individual employment agreements and to pay a fee for keeping and filling in employment record books by the territorial labor inspectorate shall be repealed starting from 1 February 2011.

Consequently, starting with the aforementioned dates, the registration of the individual employment contracts and of the documents regarding the performance, suspension, amendment and termination thereof shall be made exclusively with the electronic register of the employees.

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2 The guaranteed gross national minimum wage

Name of the enactment	Government Decision No. 1193/2010 regarding the establishment of guaranteed gross national minimum wage to be paid
Publication	Official Gazette of Romania, Part I, No. 824 of 9 December 2010
Entry into force	9 December 2010
Connections with other enactments	Law No. 53/2003 regarding Labor Code

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Main provisions

Pursuant to Government Decision No. 1193/2010, as of 1 January 2011, the guaranteed gross national minimum wage is RON 670, and the wage of government employees shall not be lower than the basic national minimum wage.

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3 The remuneration of the trade unions' leaders

Court Decision

Constitutional Court Decision No. 1276/2010 concerning the admission of the plea of unconstitutionality regarding the provisions of Art. 35 (1), final thesis of Law No. 54/2003 on trade unions. (**"Decision No. 1276/2010"**)

Publication

Official Gazette of Romania, Part 1, No. 746/09.11.2010

Connections with other enactments

Law No. 54/2003 on trade unions (**"Law No. 54/2003"**)

Relevant aspects

By Decision No. 1276/2010, the Constitutional Court has deemed as unconstitutional Art. 35 (1), final thesis of Law No. 54/2003, which provided the right of the trade union members holding management positions within such trade unions and also working effectively within the employers' organization to benefit of an adjustment of their monthly work program with 3-5 days for trade union activities, without prejudicing their salary rights.

In order to deliver such decision, the Constitutional Court has deemed that the unconstitutional text affects the property right of the employer, as protected by Art. 44 of the Constitution, by forcing the employer to pay remuneration to an employee who does not perform effectively his job duties during such period of time.

Also, the Constitutional Court held that, in accordance with Law No. 54/2003, the trade union leaders may receive salary rights from the trade union's own funds or in accordance with the provisions of the collective bargaining agreement. Or, such provision along with the legal text under discussion would create the premises of a double remuneration for the same trade union activity: on the one hand from the trade union's funds and on the other from the employer's funds.

Therefore, the Constitutional Court has decided that Art. 35 (1), final thesis of Law No. 54/2003 includes a measure that does not create a justly proportioned balance between the means used and the legitimate purpose (strengthening trade union freedom by limiting the employer's property right).

According to the Constitution, the provisions deemed as unconstitutional will cease their effects within 45 days as from the publication date of the

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Constitutional Court's decision if, within this time period, the Parliament or the Government, as the case may be, does not amend the unconstitutional provisions so that they respect the Constitution's provisions. During such period the unconstitutional provisions are suspended.

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4 Amendments brought to the system of unemployment security and promotion of employment

Name of enactment

Government Emergency Ordinance No. 108/2010 (**"GEO No. 108/2010"**) amending and supplementing Law No. 76/2002 (**"Law No. 76/2002"**) on the system of unemployment security and promotion of employment

Publication

Official Gazette of Romania, Part I, No. 830 of 10 December 2010

Entry into force

1 January 2011

Connections with other enactments

Law No. 76/2002 on the system of unemployment security and promotion of employment

Main provisions

The main amendment brought by GEO No. 108/2010 is the change of the reference rate used the calculation of the unemployment benefit, *i.e.*: the social reference indicator, and not the minimum gross salary.

The social reference indicator is the unit expressed in RON and referred to by the cash considerations paid by the unemployment security budget, granted to secure the protection of persons within the unemployment security system, and to induce certain categories of persons to become employed, and the employers to employ persons seeking a job.

The enactment provides that the unemployment benefit shall represent 75% of the social reference indicator, for the persons with a subscription period of at least one year, and not 75% of the minimum gross salary as formerly applied.

At the same time, as the graduates from education institutions receiving unemployment benefit are concerned, the benefit shall represent 50% of the value of the social reference indicator, granted for a 6-month term, and not half of the minimum salary.

The unemployment benefit shall no longer be paid to the person refusing a job suitable to his training or education, irrespective of the location of the job as compared to his domicile.

The social reference indicator is RON 500 and may be changed by Government

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Decision.

The amendments brought by GEO No. 108/2010 shall not apply to the persons whose right to the unemployment benefit was established prior to the entry into force of this legal enactment and to the persons having suspended the payment of the unemployment benefit.

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5 Significant amendments brought to the norms on the leave and monthly maternity allowance

Name of the enactment

Government Emergency Ordinance No. 111/2010 (**"GEO No. 111/2010"**) on the on the leave and monthly maternity allowance

Publication

Official Gazette of Romania, Part I, No. 830 of 10 December 2010

Entry into force

1 January 2011

Main provisions

GEO No. 111/2010 reiterates the concepts provided under GEO No. 148/2005 (abrogated through this legal enactment) with a few amendments and supplementations, particularly with respect to the decrease in the monthly allowance related to the maternity leave, in terms of both the amount (from 85% to 75% of the average net income of the past 12 months) and the duration. In principle, the conditions of granting and terminating the rights for a maternity leave are similar to the former ones.

The person raising the child (any of the natural parents of the child or the adopter) may choose between the two options provided by the law:

- Maternity leave for upbringing the child aged up to one year, and a monthly allowance of 75% of the average net income for the past 12 months, in a minimum amount of RON 600, and a maximum amount of RON 3,400;
- Maternity leave for upbringing the child aged up to 2 years and a monthly allowance of 75% of the average net income for the past 12 months, in a minimum amount of RON 600, and a maximum amount of RON 1,200.

After the child turns one year, the persons choosing for the first option above shall be entitled to unpaid leave until the child turns two years.

The beneficiary's option shall be stated in writing and may not be changed throughout the period in which the rights are granted.

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The scope of the persons benefiting from the maternity leave was extended to include the candidates to a Doctor's Degree, those in-between university years or forms of higher education in the same calendar year, etc.

On the other hand, the integration incentive (to return to work) was increased to RON 500, but it shall be granted solely to the persons choosing for the first option.

In the case of children with disabilities, the parents' leave shall be granted for a 3-year period, and the related allowance, in an amount of 75% of the average net income made for the past 12 months, shall range between RON 600 and RON 3,400. At the same time, the incentive for returning to work shall be paid at any time before the child turns 3 years.

GEO No. 111/2010 expressly lists for the first time the income sources to be considered upon calculating the amount of the maternity allowance.

The above provisions shall be applicable for the first 3 births, for the first 3 children brought up, respectively, in the situations provided by law. After three children, the persons complying with the conditions provided by law, shall be entitled to a leave without the payment of the maternity allowance. The duration of the leave was extended to 4 months and shall be given in full.

The new provisions on granting the maternity leave and maternity allowance shall be applicable solely for the children borne starting from 1 January 2011. As to the children borne until 31 December 2010 inclusively, the provisions of GEO No. 148/2005 shall be applicable, and the allowance shall be 75% of the average income, but shall not be less than RON 600 or exceed RON 3,400.

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6 New regulations concerning the social security

Name of the enactment	Government Emergency Ordinance No. 107/2010 (**"GEO No. 107/2010"**) amending and supplementing Law No. 95/2006 on the reform in the healthcare field
Publication	Official Gazette of Romania, Part I, No. 830 of 10 December 2010
Entry into force	1 January 2011, with few exceptions
Connections with other enactments	Law No. 95/2006 on the reform in the healthcare field
Main provisions	GEO No. 107/2010 is applicable in matters of health social security by limiting the scope of the persons benefiting from the social security right without payment of the contribution and implements new contributions to the National Sole Fund of

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Health Social Security.

As to the insured persons, GEO No. 107/2010 limits the categories of persons benefiting from the insurance right without paying the contribution. Consequently, persons that were persecuted during the Communist Regime, whose rights are acknowledged by special laws listed under GEO No. 107/2010, shall no longer benefit from the insurance without paying the contribution if they make income from pensions.

Secondly, the pensioners with income less than RON 740 shall continue to benefit from the insurance without paying the contribution, which shall be paid from the State Budget starting from 1 January 2012.

Pensioners with income above this threshold shall have to pay a contribution of 5.5% to be applied to the income exceeding RON 740 and shall be transferred together with the payment of the pension by the persons that make the payment of such rights. The implementation of this quota may not result in a pension lower than RON 740.

The contribution of the families entitled to social allowance and benefiting from insurance without paying the contribution shall be paid by the State Budget, and not by the local budget.

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Energy Law

Name of the enactment

Law No. 210/2010 concerning certain measures preceding construction works on the power transmission and distribution network („**Law 210/2010**”)

Publication

Official Gazette of Romania, Part I, No. 773 of 18 November 2010

Entry into force

21 November 2010

Connections with other enactments

Law No. 33/1994 on expropriation for cause of public utility

Main provisions

Law No. 210/2010 sets up the legal framework for preparatory measures prior to the execution of construction works on power transmission and distribution networks (“**Law No. 210/2010**”)

The main provisions of Law No. 210/2010 are summarized below:

The law provides reduced terms for the issuance of the necessary authorizations for construction works on power transmission and distribution networks as follows:

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- The urban planning certificates shall be issued within 10 days after the documentation has been submitted;
- The endorsements, approvals, permits and authorizations requested through the urban planning certificates, with the exception of the environmental agreement, shall be issued and conveyed within 25 calendar days as of the submission of the documentation; and
- The building permit shall be issued within 15 days after as of submission of the complete documentation.

The technical-economic indicators, the location of the works, the source of financing, the initiation of the procedure for the expropriation of immovable assets, as well as the estimated global sum of the compensation will be approved by Government Decision.

Payment of the compensation for the expropriated immovable assets shall be made further to the requests of the holders of real estate rights or of any person having a legitimate interest, accompanied by supporting documents regarding the real estate rights on the expropriated immovable asset.

Law No. 210/2010 also establishes the procedure for awarding compensations in special situations when claimed jointly by more persons or by conflicting persons who are apparently entitled to such payment or when the immovable assets envisaged to be expropriated are subject to a succession and the heirs are unknown or unable to provide an inheritance certificate.

Persons unsatisfied with the amount of compensation can address the competent court, without however being entitled to challenge the transfer to the expropriator of the ownership over the immovable assets and without the means of appeal suspending the effects of the decision establishing the compensation, respectively the transfer of ownership.

Pursuant to Law No. 210/2010, neither the expropriation procedure, nor the public utility works can be suspended or ceased upon request of any person claiming the existence of litigation regarding ownership or possession of the expropriated immovable assets.

Also, Law No. 210/2010 provides that all agreements constituting or transferring real estate rights over the immovable assets subject to expropriation and concluded after the communication of the decision establishing the compensation or, respectively, after the payment or deposit of the compensation,

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are null and void, with the exception of those which subsequent to expropriation, clarify the legal status of the immovable assets.

The transfer of the immovable assets from private property to public property of the state and in the administration of the expropriator is made de jure on the date the compensation is paid or on the date of the deposit, under the conditions of Law No. 210/2010.

The Government will enact the methodological norms for the application of Law 210/2010 within 30 days as of its publication.

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Environment Protection

Name of the enactment	Government Emergency Ordinance No. 118/2010 regarding the amendment and supplementation of Government Emergency Ordinance No. 50/2008 establishing the car pollution tax (“**GEO No. 118/2010**”)
Publication	Official Gazette of Romania, Part I, No. 888 of 30 December 2010
Entry into force	1 January 2010
Connections with other enactments	Government Emergency Ordinance No. 50/2008 establishing the car pollution tax, as subsequently amended and supplemented (“**GEO No. 50/2008**”)
Connections with enactments applicable at the EU level	Regulation (EC) No 715/2007 of the European Parliament and of the Council of 20 June 2007 on type approval of motor vehicles with respect to emissions from light passenger and commercial vehicles (Euro 5 and Euro 6 standards) and on access to vehicle repair and maintenance information, establishing the requirements of market accreditation and supervision for product trading and repealing the Regulation (EEC) No. 339/93 (“**Regulation (EC) No. 715/2007**”)
Main provisions	The main amendment brought by GEO No. 118/2010 regards the reconsideration of pollution norms provided as criteria for establishing the pollution taxes owed upon registration of motor vehicles brought to Romania, which caused an increase in the pollution taxes to be paid after the entry into force of this enactment. Another novelty introduced by the aforementioned enactment is the imposition of pollution tax on Euro 5 vehicles, as well. Furthermore, this enactment states that the tax owed for Euro 6 vehicles shall be determined based on the same formula, as soon as the Euro 6 standard enters into force, pursuant to Regulation (EC) No. 715/2007.

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To mitigate the onerous effects of GEO No. 118/2010 on tax payers, this enactment shall contain derogations related to the standing of motor vehicles purchased before 31 December 2010 in view of being registered in Romania, but unregistered prior to the entry into force of this emergency ordinance. Thus, for this category of motor vehicles, tax payers shall pay the applicable pollution taxes up to the amount provided under GEO No. 50/2008, prior to its amendment by GEO No. 118/2010. However, to benefit from these derogations, tax payers in the name of which the motor vehicles shall be registered, are obliged, on one hand, to submit an application for motor vehicles registration with the relevant fiscal authority, until 31 January 2010, for the calculation of pollution tax, and, on the other hand, to further submit all the documents required under the law for the calculation of such tax, within 60 days from the entry into force of this enactment.

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Fiscal Law

1 Regulations related to the organization of the administration of large tax payers

Name of the enactment	Order of the National Agency for Tax Administration No. 2730/2010 on organizing the administration of large tax payers (“**Order No. 2730/2010**”)
Publication	Official Gazette of Romania, Part I No. 820 of 8 December 2010
Entry into force	8 December 2010 (the provisions under Order No. 2730/2010 shall be actually applied as of 01 January 2011)
Connections with other enactments	Government Ordinance No. 92/2003 on the Fiscal Procedure Code, republished, as further amended and supplemented
Main provisions	Order No. 2730/2010 was adopted in order to increase the efficiency in administering large tax payers and improving the collection of budgetary revenues. To this effect, the provisions under this order stipulate conditions for the classification of certain tax payers as “*large tax payers”* and establish rules on the administration thereof. The selection criteria pursuant to which the aforementioned category is established are stipulated under appendix 1, but they may be revised periodically.

Furthermore, note should be made that the large tax payers undergoing insolvency proceedings (with the following exceptions: National Bank of Romania, banks, insurance companies, non-banking financial institutions,

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financial investment companies) shall no longer be administered by the General Division for Large Tax Payers Administration, as of 1 January of the year following the one when the decision for the opening of the insolvency proceedings was rendered irrevocable, and shall be handed over for administration purposes to the competent territorial fiscal authorities.

Moreover, large tax payers which do not fulfill the selection criteria provided under appendix no. 1 to Order No. 2730/2010, as well as newly incorporated tax payers which are not making investments at the level provided in the same appendix shall no longer be administrated by the General Division for Large Tax Payers Administration after 2 consecutive years in which they fail to fulfill the selection criteria.

2 New legal provisions concerning the regime of microenterprises

Name of the enactment	GEO No. 117/2010 for the amendment and supplementation of Law No. 571/2003 on the Fiscal Code and the regulation of certain financial-fiscal measures (“**GEO No. 117/2010**”)
Publication	Official Gazette of Romania, Part I No. 891 of 30 December 2010
Entry into force	30 December 2010
Connections with other enactments	Law No. 571/2003 on the Fiscal Code
Main provisions	Among the novelties brought by GEO No. 117/2010 it is worth mentioning the provisions concerning the taxation system of microenterprises. Pursuant to the definition under art. 112¹, the micro-enterprise is the legal entity fulfilling cumulatively the following conditions, on 31 December of the previous tax year:

- It has 1 to 9 employees, inclusively;
- It has revenues which have not exceeded the RON equivalent of EUR 100,000;
- The share capital thereof is held by persons, other than the state and the authorities.

Legal entities may choose to pay the tax regulated under this title starting from the following tax year, if they fulfill the aforementioned conditions, and if they were not microenterprise income tax payers pursuant to GEO No. 117/2010.

A newly incorporated Romanian legal entity may choose to pay microenterprise tax starting from the first tax year, if the condition concerning the capital is fulfilled on the date of registration with the trade registry, and the condition

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concerning the number of employees is fulfilled within 60 days as of the registration date inclusively.

Romanian legal entities operating in the following fields: banking, insurance and reinsurance and capital market (except for intermediation), gambling, consultancy and management cannot choose the taxation system regulated under this title. Furthermore, Romanian legal entities the share capital of which is held by a joint-stock company shareholder or a shareholder of a legal entity with more than 250 employees cannot choose to pay microenterprise income tax.

Microenterprises may choose to pay profit tax starting from the following tax year. The option must be exercised by 31 January of the tax year following the year for which the microenterprise income tax is due.

The taxable base amount for microenterprise income is represented by the income arising from any source, of which the following are to be deducted:

- Revenues related to product stocks costs;
- Revenues related to the costs of services being carried out;
- Revenues from the production of tangible and intangible movable assets;
- Revenues from operating grants;
- Revenues from provisions and adjustments for depreciation or value loss;
- Revenues obtained from the return or annulment of interests and/or delay penalties, which were non-deductible expenses upon profit calculation;
- Revenues arising from indemnities from insurance/reinsurance companies, for damages caused to assets such as stocks or own tangible assets.

The taxation quota for microenterprise income is of 3%.

The tax is calculated and paid inclusively by the 25th of the month following the quarter for which the tax is calculated; the tax return for microenterprise revenues is to be filed by the same date.

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Gambling Law

Name of the enactment	Law No. 246/2010 approving Government Emergency Ordinance No. 77/2009 on the organization and operation of gambling (“**Law No. 246/2010**”)
Publication	Official Gazette of Romania, Part I, No. 854/21 December 2010
Entry into force	24 December 2010
Connections with other enactments	Government Emergency Ordinance No. 77/2009 on the organization and operation of gambling (“**GEO No. 77/2009**”)

1 Provisions on on-line gambling

Main provisions

The major amendments brought by Law No. 246/2010 arise from the regulation, for the first time in Romania, of online gambling. The actual conditions for the performance of gambling activities via Internet-type communication means, fixed or mobile telephony systems are to be established by the norms of implementation of GEO No. 77/2009.

Considering that the online gambling is subject to express regulation, a major issue arises as to the lawfulness of large international gambling companies offering such gambling activities in Romania, so much the more as the capacity as entity holding gambling activities is limited to Romanian legal entities established according to law.

To be granted to permit to operate gambling activities, the operators holding gambling activities of the nature of online bets, bingo games organized via Internet communication means, fixed or mobile telephony systems and other online gambling, shall have to attest to the fact that they hold all the technical equipment required to provide the means to organize and supply such type of gambling in Romania, on a mandatory basis; an exemption from this provision shall be the undertakings authorized in this field in a European Union Member State and holding the technical equipment for the operation in a European Union Member State, subject to the obligation to connect the same to the authorities providing the technical support, monitoring and control of such gambling activities.

As the companies holding bets in a fixed amount and/or online bets, the fee for the permit to operate gambling activities shall be established as per the actual proceeds made by the companies by operating this activity, which shall not be less than the minimum level of the fee established according to this emergency

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ordinance.

In addition, Law No. 246/2010 includes a set of provisions establishing the level of the securities required to cover the risk of failing to pay the budgetary debts, the fee for the license to hold gambling activities (annual) and for the permit to operate gambling activities and the minimum level of the subscribed and paid-up capital for the entities holding online gambling activities.

Finally, Law No. 246/2010 inserts a set of new provisions on acts considered misdemeanors or offenses in connection to the performance of online gambling activities (including for the participants in such gambling activities).

2 Other provisions

In the case of entities holding bingo games via television network systems, it was removed the obligation of holding an endorsement issued by National Company "Loteria Română" - S.A., and which was previously intended to confirm that the gambling activities proposed for authorization did not breach the exclusivity right or harm the achievement of its object of activity. Moreover, in the case of entities holding such gambling activities, Law No. 246/2010 decreased the number of representative offices distributing tickets from 150 to 48, provided that each county seat and each district of Bucharest has one representative office.

Undertakings holding a license to hold gambling activities and operating, based on a permit to operate gambling activities, gambling activities of the nature of casino activities may hold poker tournaments based on a regulation to be approved by the committee and subject to the payment of a organization fee of RON 200,000.

GEO No. 77/2009 underwent additional amendments on December 2010, which amendments were brought by GEO No. 117/2010 amending and supplementing Law No. 571/2003 on the Fiscal Code and the regulation of certain financial and fiscal measures. This enactment inserts the obligation of entities holding gambling activities of the nature of casino activities, and slot-machine gambling to permit access to authorized locations based on an entry ticket only. The obligation is valid for any person entering the casino, irrespective whether he participates in the gambling activities or not, while with slot-machine gambling activities, only for the players. The proceeds of the ticket sales shall be fully transferred by the organizing entities to the State budget.

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Insurance Law

Name of the enactment: Law No. 248/2010 amending and supplementing Law No. 260/2008 on mandatory housing insurance against earthquakes, landslides or flooding

Publication: Official Gazette of Romania, Part I, No. 844 of 16 December 2010

Entry into force: 19 December 2010

Connections with other enactments: Law No. 260/2008 on mandatory house insurance against earthquakes, landslides or flooding

Main provisions: The most important novelty brought by the above mentioned legal enactment concerns the exemption of the individuals and legal entities which have concluded a voluntary housing insurance policy covering all the risks provided in the mandatory insurance policy from the obligation to conclude the latter insurance policy on the terms and subject to the conditions set forth in the Law No. 260/2008.

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Public Procurement, Concessions & Public Private Partnership

1 Methodological Norms to the Law on public-private partnership

Name of the enactment: Government Decision No. 1239/2010 regarding the approval of Methodological Norms for the application of Law No. 178/2010 on public-private partnership, and the approval of certain steps in connection to the reorganization of the central public-private partnership management Unit within the Ministry of Public Finance (“**GD No. 1239/2010**”)

Publication: Official Gazette of Romania, Part I, No. 833/13 December 2010

Entry into force: 13 December 2010

Connections with other enactments: Law No. 178/2010 on public-private partnership (“**PPP Law**”)

Main provisions: GD No. 1239/2010 approves the methodological norms for the application of Law No. 178/2010 on public-private partnership (“**PPP Norms**”), which contain detailed provisions on the general norms stated by the PPP Law.

Thus, the PPP Norms contain regulations regarding (i) the concepts and scope of public-private partnership, (ii) role and powers of public partners involved in the public-private partnership procedures, (iii) categories of public-private partnership agreements and the traits of the said, (iv) main documents used within the frame

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of procedures for the conclusion of a public-private partnership agreement, (v) assessment criteria and negotiation criteria, (vi) form and content of the draft agreement and of the public-private partnership agreement, (vii) organization of the project company, as well as (viii) other relevant aspects regarding the conclusion of public-private partnership agreements.

In addition to the PPP Norms, GD No. 1239/2010 also establishes certain organizational aspects regarding the operation of public administration entities managing the public-private partnership field.

Scope of public-private partnership

According to the PPP Norms, public-private partnership shall always be carried out by the project company, a legal subject incorporated by the two partners – public and private and distinct from the aforementioned.

By the public-private partnership, the two partners associate to make a public asset or provide a public service, as defined by PPP Law. The public-private partnership project is realized entirely from private financial resources.

Powers of public partners involved in public-private partnership projects

The PPP Norms establish the powers regarding the initiation and progress of the procedure for conclusion of a public-private partnership agreement, depending on the type of public works making the object of the public-private partnership.

Thus, local councils initiate public-private partnership projects having as object public works of local interest, county councils are competent to initiate public-private partnership projects on public works of county interest, while public-private partnership projects having as object public works of national interest are initiated by the central authorities and institutions (Government of Romania, ministries or other central institutions).

Within the local/county authorities, the executive authorities have powers in regard to the identification of public-private partnership projects, preparation of the documents required for the initiation of the procedure, or to be drafted in the process, selection of potential investors, negotiation of project fulfillment requirements and contractual clauses. In the case of public-private partnership projects falling under the jurisdiction of central authorities, these powers shall be exercised by the ministry managing the field in which the said project is carried out.

Under the PPP Norms, the powers regarding the approval of the opportunity to

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initiate the project, the prefeasibility study/substantiation study, of the procurement notice and of the document attached to the procurement notice, of the assessment and negotiation criteria, of the assessment report and of the basic items included in the framework form of the public-private partnership project, shall be exercised by the deliberative authorities, when public-private partnership projects fall under the jurisdiction of local/county authorities. Moreover, deliberative authorities are competent to approve the negotiated and draft of the public-private partnership agreement, before the execution thereof. In case of projects managed by the central authorities, the aforementioned competence is assigned to the Government.

Public-Private Partnership Contract Categories

The PPP Norms regulate the types of public-private partnership contracts, according to the operations performed under the respective contracts: (i) DCOT: design-construction-operation-transfer; (ii) CODT: construction-operation-development-transfer; (iii) COT: construction-operation-transfer; (iv) DMOT: development-maintenance-operation-transfer; (v) ROT: rehabilitation-operation-transfer.

As regards such contracts, the provisions under the PPP Norms also establish the main obligations incumbent upon the parties, the contribution brought by the public partner to the project company (assets from the private property of the state/of administrative-territorial units), as well as the principles of the parties' participation to the project company (usually, the investor has a majority shareholding).

The main documents used in executing a public-private partnership contract

The PPP Norms establish the form and contents of the main documents used in executing a public-private partnership contract. Therefore, the prefeasibility and the substantiation study (documents that the initiation of a public-private partnership project is based upon), the notice of intent and the document attached to the notice of intent (documents presenting the elements of the public-private partnership project to the public), the project agreement (agreement executed by the public partner and each of the investors selected further to the first phase of the procedure, meant to prepare the public-private partnership contract) and the public-private partnership contract (divided into (i) general conditions – essential information, specific terms, common terms, and (ii) technical conditions – financial aspects, construction and refurbishment clauses, operation clauses, economic-financial clauses) are regulated from the point of

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view of form and contents.

Procedural Aspects

The PPP Norms regulate in detail the organization and development of procedures related to executing public-private partnership contracts.

Therefore, the procedures for executing public-private partnership contracts go through two main phases: (i) the analysis and selection phase, further to which the selected investors are determined, with whom the project agreements shall be executed, and (ii) the negotiation phase. The public partner appoints an assessment committee, with responsibilities related to the development of the first phase of the procedure, and a negotiation committee (which may or may not be the same as the assessment committee), with responsibilities to be carried out throughout the second phase.

The PPP Norms regulate the assessment criteria, based on which the selected investors shall be established, as well as the negotiation criteria, based on which the negotiation committee establishes the hierarchy of investors, and the investor which shall be filing the final offer regarding the private-public partnership, submitted for approval to the public authority manager.

Project Company

The PPP Norms regulate the organization and operation of the project company, established by the two partners, in the shares established by the public-private partnership.

The project company is organized and operates pursuant to the provisions of Companies Law No. 31/1990 and its sole purpose is to operate and manage the public-private partnership project.

Pursuant to the PPP Norms, the leader of the joint venture representing the private investor cannot be replaced in the project company. Other entities, according to the type of agreement/association of the entities representing the private investor, may withdraw from the project as they complete the activities assigned to them.

As regards the contractual relationship in respect of the activities making the object of the public-private partnership, the PPP Norms establish that the project company and the two partners execute an administration contract, having as object the assets entrusted for administration, and a services contract, both based upon the public-private partnership contract.

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2 Amendments brought to the public procurement legal framework

Name of the enactment	Law No. 278/2010 approving Government Emergency Ordinance No. 76/2010 amending and supplementing Government Emergency Ordinance No. 34/2006 on the award of public procurement contracts, public work concession contracts and service concession contracts (“**Law No. 278/2010**”)
Publication	Official Gazette of Romania, Part I, No. 898/31 December 2010
Entry into force	3 January 2011
Connections with other enactments	Government Emergency Ordinance No. 76/2010 amending and supplementing Government Emergency Ordinance No. 34/2006 on the award of public procurement contracts, public work concession contracts and service concession contracts (“**GEO No. 76/2010**”) Government Emergency Ordinance No. 34/2006 on the award of public procurement contracts, public work concession contracts and service concession contracts, approved as amended and supplemented by Law No. 337/2006, as amended and supplemented (“**GEO No. 34/2006**”)
Connections with enactments applicable at the EU level	Commission Regulation (EC) No 1177/2009 of 30 November 2009 amending Directives 2004/17/EC, 2004/18/EC and 2009/81/EC of the European Parliament and of the Council in respect of their application thresholds for the procedures for the award of contracts
Main provisions	Law No. 278/2010 approving GEO No. 76/2010 as amended and supplemented brought new amendments to the laws on public procurement, particularly with respect to thresholds underlying the enforcement of certain rules, thresholds permitting the implementation of the tender demand procedure and settlement of complaints.

Change of certain thresholds

According to the initial wording of GEO No. 76/2010, the enforceability or unenforceability of the provisions of GEO No. 34/2006 or of part thereof (for instance, in connection with the publication of certain notices or compliance with certain terms), as the case may be, was established according to the following thresholds (i) EUR 4,845,000, in the case of work contracts, (ii) EUR 125,000, EUR 193,000 or EUR 387,000 (as the case may be), in the case of service contracts, or (iii) EUR 125,000 or EUR 387,000 (as the case may be), in the case of work contracts. According to the provisions of GEO No. 76/2010, if the value of the contract in question was bigger than the relevant thresholds above, the provisions of GEO

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No. 76/2010 would be applicable, and, if the contract's value was equal to or less than the relevant thresholds, the provisions of either GEO No. 34/2006, or GEO No. 34/2006 would be applicable; such provisions were regulating the matters in a more flexible fashion (for instance, no obligation to publish notices was required, or shorter terms were regulated).

Currently, according to Law No. 278/2010, contracts whose value is equal to the relevant thresholds above shall be subject to the rules previously established for contracts with values bigger than such thresholds, while in the case of the contracts with values smaller (and not equal to) the thresholds, the provisions of either GEO No. 34/2006, or the provisions of the same ordinance previously applicable to both the contracts with values smaller than and for contracts with values equal to such thresholds.

Amendment of the conditions – thresholds – for the implementation of the tender demand procedure

Law No. 278/2010 amended the thresholds permitting the implementation of the tender demand procedure. Thus, the tender demand procedure may be implemented by a contracting authority only when the forecasted value, exclusive of VAT, of the public procurement contract is lower than the RON equivalent of the following thresholds:

- EUR 125,000 for the supply contract, instead of a value lower than or equal to the RON equivalent of EUR 100,000, according to the previous wording;
- EUR 125,000 for the service contract, instead of a value lower than or equal to the RON equivalent of EUR 125,000, according to the previous wording;
- EUR 4,845,000 for the work contract, instead of a value lower than or equal to the RON equivalent of EUR 1,000,000, according to the previous wording.

Settlement of Complaints

The amendments brought by the provisions of Law No. 278/2010 draws a distinction between (i) the complaints concerning the documents issued by the contracting authority throughout and in connection with the award procedure and (ii) the claims concerning public procurement contracts (performance, nullity, cancellation, rescission, termination, unilateral termination thereof).

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As the claims under the second category are concerned, the courts of law shall have jurisdiction over them, as until the entry into force of Law No. 278/2010, while, as the complaints under the first category are concerned, Law No. 278/2010 no longer includes express provisions, except when such are settled by the National council for Solving Complaints ("**NCSC**"), an independent authority with an administrative and jurisdictional activity. There were eliminated the provisions regulating the settlement of complaints against the contracting authority's deeds by courts of law, as alternative to their settlement by the NCSC, as well as the references to the enforcement of the general legislation in administrative adversarial matters.

Nevertheless, the construal and implementation of the amendments inserted by the provisions of Law No. 278/2010 is likely to generate difficulties in practice taking into account that the provisions of Art. 21 para. (4) of the Constitution of Romania establish that the administrative and jurisdictional proceedings are facultative. Consequently, even in the absence of specific provisions under GEO No. 34/2006, one may submit that the parties concerned may challenge the administrative deeds issued by the contracting authorities throughout the award procedure according to the general provisions of administrative disputes under Law No. 554/2004.

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Real Estate

Name of the enactment

Law No. 255/2010 of 14 December 2010 on the expropriation for a public use cause, required to accomplish certain objectives of a national, county and local interest ("**Law No. 255/2010**")

Publication

Official Gazette of Romania, Part I, No. 853 of 20 December 2010

Entry into force

23 December 2010

Connections with other enactments

Law No. 33/1994 on expropriation for cause of public utility ("**Law No. 33/1994**")

Main provisions

Law No. 255/2010 regulates the procedure of expropriating real estates owned by individuals or legal profit or non-profit entities, or any other entities, as well as real estates in the private property of communes, towns, cities and counties, on which there are built public use works of a national, county or local interest (the "**Procedure**"), such as: (i) works for the construction, reconstruction and refurbishment of roads of a national, county and local interest, works for the construction, refurbishment and extension of the public railroad infrastructure,

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works required to develop the subway transportation network and to refurbish the existing network, works for the development of the airport infrastructure, and of naval transportation infrastructure, (ii) works for the construction, reconstruction, refurbishment, development and greening the coastline of the Black Sea, (iii) works of a national interest for the generation, transmission and distribution of electricity and natural gas, and of natural gas production, etc.

The stages of the Procedure regulated under Law No. 255/2010 are as follows:

- Approval of technical and economic indicators of the works of a national, county or local interest;
- Deposit of the related individual amount as indemnification for the real estates located on the expropriation site and posting of the list of the owners of the real estates;
- Transfer of the ownership right, and
- Completion of the formalities related to the expropriation procedure.

The first stage of the expropriation procedure consists in the expropriator's obligation to approve, by way of a Government Decision, or by decision of the local public or county administration authority, or, as the case may be, of the General Council of Bucharest Municipality, respectively: (i) the technical and economic indicators of the works of a public interest, (ii) the financing source, (iii) initiation of the procedure for the expropriation of all real estates forming the expropriation site, (iv) the list of owners, (v) the individualized amounts for indemnifications forecasted by the expropriator, based on the prepared assessment report and (vi) the term inside which they shall be transferred into an account opened on behalf of the expropriator for the owners of real estates.

The second stage consists in the expropriator's obligation to deposit the individual amounts representing payment of indemnifications on the owners of the real estates subject to expropriation. To this end, the expropriator shall serve a notice of the intent to expropriate the real estates on the owners and post a list of the real estates at the headquarters of the local council and on its website. The real estate owners shall have to appear at the headquarters of the expropriator for the establishment of a fair indemnification within 30 days from the date of the notice.

Within 5 days from the expiry of the 30-day term above, the expropriator shall have to issue the expropriation decision which shall be deemed an enforcement

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order for the delivery of the real estate, and the challenge to the expropriation decision shall not stay the transfer of the ownership right over the real estates in question.

According to the third stage of the Procedure, the transfer of the ownership right over the real estates in the private property of individuals or legal entities, in the public property of the State or territorial administrative units, and the expropriator's administration shall *de jure* operate on the expropriator's issuance of the administrative expropriation document, subsequent to the deposit of the indemnification amounts.

Private property real estates required to relocate the utilities for any type of landscaping required to perform the utility relocation shall be expropriated according to the Procedure. At the same time, real estates subject to restitution claims under Law No. 10/2001 and part of the expropriation site shall also be subject to the Procedure, or shall be transferred to the State public property and administration of relevant authorities, as the case may be.

The committee verifying the ownership right or any other real right shall analyze the claims filed by the holders of real rights or the rejection of the amount of indemnifications within 5 days from the issuance of the expropriation decision. Payment of indemnifications for the expropriated real estates shall be made based on the requests filed within 10 days from the public notification of the expropriation decisions by the holders of real rights, and by any person justifying a legitimate interest. Within 15 days from the request of the committee, the applicant shall have to supplement the submitted documentation on the capacity as holder of the real right for which he claims the indemnification.

Should the expropriated real estates be the property of a deceased person, the indemnification shall be deposited on behalf of the deceased and released to the successors attesting to hold such capacity. In the case of certain litigious situations with respect to the real rights over real estates, the expropriation amounts shall be deposited on behalf of the litigants, and shall be paid to the persons to be established as entitled to receive such indemnifications.

Within maximum 90 days from the issuance of the decision establishing the amount of indemnifications, the expropriator shall have to pay the indemnifications to the holders of the ownership rights over the expropriated real estates by bank transfer, or in cash, or shall deposit such indemnifications on their behalf.

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The expropriated person unsatisfied with the amount of indemnifications may refer to the relevant court within the general statute of limitations term, which shall start to run upon the communication of the decision establishing the amount of indemnifications, subject to the sanction of forfeiture, without being able to challenge the transfer of the ownership right to the expropriator. The requests filed with the court shall be exempted from the judicial stamp duty. The means of challenge shall not stay the effects of the decision establishing the amount of indemnifications and of the transfer of ownership.

Real estates in the property of territorial administrative units affected by public use works shall be transferred in the public property of the State and administration of the expropriator's representatives within 30 days from the notification of the territorial administrative unit. In the case of real estates in the private property of communes, towns, cities and counties, the transfer of the ownership right shall operate subsequent to the deposit of individual amounts.

Legal documents concluded subsequent to the posting of the decision on the amount of indemnifications shall be affected by absolute nullity.

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