

STATE AID IN ROMANIA

OVERVIEW

BIG ENTERPRISES

I. **Government Decision No. 718/2008** approving *horizontal state aid scheme for regional sustainable development and reduction of emissions*

Application field: the present state aid scheme addresses economic operators implementing initial investments in all industrial fields¹ and the energy field, concerning activities of electric and thermal energy production and consumption.

Eligible area: the entire territory of Romania is eligible for regional state aid awarding

Beneficiaries: big enterprises, SMEs, microenterprises meeting the eligibility criteria required by the law. The scheme does not concern big investment projects with eligible costs exceeding Euro 50 millions.

Awarding: grants awarded in installments

Scheme total estimated budget: Euro 318,800,000; **budget 2009:** Euro 48.8 million.

Maximum state aid intensity:

- 40% of the total eligible expenses, for Bucharest-Ilfov region;
- 50% of the total eligible expenses, for the other seven development regions in Romania;
- Intensity can be increased by 20% in case of small enterprises and microenterprises, and by 10% in case of medium sized enterprises.

Provider: Romanian Ministry of Economy

End of contracting: 2013, December 31st

¹ **Excepted sectors:** fishery and aquaculture, shipbuilding sector, coal and steel industries, synthetic fibers, primary production of agricultural products listed in annex 1 to the Treaty establishing the European Community, processing and marketing of agricultural products, including imitation and substitute milks, or milk products;

Excepted objectives: financial support for export-related activities towards third countries or Member States, namely aid directly linked to the quantities exported, to the establishment and operation of a distribution network or to other current expenditure linked to the export activity; aid contingent upon the use of domestic over imported goods; purchase of transport equipments in transport sector.

II. Order No. 479/2008 issued by the Minister of Economy and Finance approving the state aid scheme granting support for the consolidation and development of the Romanian productive sector through investments of big enterprises

Eligible area: the entire territory of Romania, all 8 development regions.

Application field: big enterprises meeting the eligibility criteria required by the law

Sectors: extractive industry, manufacturing, water distribution, sanitation, waste management, decontamination activities, constructions.¹

Awarding: grants; *awarding sources: both national and EU funds (maximum 5 installments).*

Maximum financing ceiling/project: Euro 5 million (RON equivalent)

Scheme total estimated budget: Euro 169,400,000 (RON equivalent) **budget 2009:** Euro 25,400,000

End of contracting: 2013, December 31st.

Provider: Romanian Ministry of Economy, through the Managing Authority for the Sectorial Operational Program "Enhancing Economic Competitiveness."

III. Government Decision No. 1165/2007 on stimulating economic growth by supporting investments

and

Government Decision No. 1680/2008 implementing a state aid scheme for ensuring sustainable economic development

Application field: initial investment exceeding Euro 30 million (RON equivalent) and creating at least 300 new jobs. The investment may be carried out and the new-jobs may be created in all sectors of activity.²

Beneficiaries: companies registered under provisions of Law No. 31/1990 on trading companies, republished, with its subsequent modifications and additions, which meet the following conditions:

- their head office is established and their activity is carried out in Romania (as required by **Government Decision No. 1165/2007**) / they carry out investments in Romania (as required by **Government Decision No. 1680/2008**).
- the companies do not belong to the category of firms in difficulty as provided for in COMMISSION REGULATION (EC) No 800/2008 on declaring certain categories of aid compatible with the common market in application of Articles 87 and 88 of the Treaty (General block exemption Regulation);

¹ with the exceptions provided by the law

² Idem

- there had been no state aid recouping decisions issued against them or, in case such decisions had been issued, they were executed, according to the law in force;
- there has been no state/*de minimis* aid granting overlapping involving different state aid providers for the same eligible costs of the initial investment.
- **Government Decision No. 1165/2007 also stipulates** the condition of the enterprises not being newly-created small companies, excepting cases when aid is applied for investments or investment related consultancy.

Awarding: grants; *awarding sources:* State budget

Maximum total budget/scheme:

- **Government Decision No.1165/2007:** Euro 500 million / 5 years
- **Government Decision No.1680/2008:** Euro 1 billion / 5 years; **budget 2009:** RON 150,000 thousand

Maximum state aid ceiling:

- Euro 28.125 million (RON equivalent), for investments carried out and new jobs created as a result of the initial investment in any of the 8 development regions in Romania, except region Bucharest-Ilfov;
- Euro 22.5 million (RON equivalent), for investments carried out and new jobs created in the development region no. 8, Bucharest-Ilfov.

Provider: Romanian Ministry of Public Finance

Duration of the scheme:

- **Government Decision No. 1165/2007:** 5 years (2007-2011), with the possibility of extending this interval;
- **Government Decision No.1680/2008:** 5 years (2009 – 2013)

IV. Government Decision No. 753/2008 regulating a *state aid scheme on supporting regional development by stimulating investment*

Application field: initial investment exceeding Euro 100 million (RON equivalent), with eligible costs of over Euro 50 million (RON equivalent) and at least 500 new jobs created as a result of the initial investment.

Beneficiaries: big enterprises meeting the eligibility criteria required by the law

Awarding: grants; *awarding sources:* State budget

Maximum total budget/scheme: Euro 575 million (RON equivalent); **budget 2009:** RON 40,000 thousand

State aid intensity: gross intensity is calculated by adjusting the regional ceiling to the value of eligible costs. Aids exceeding Euro 30 million (RON equivalent) to be awarded in

Bucharest-Ilfov region, and respectively Euro 37.5 million for all other development regions in Romania shall be notified to the European Commission.

Provider: Romanian Ministry of Public Finance

Duration of the scheme –.5 years (2008-2012), with the possibility of extending this interval to 2013

Decision 753/2008 does not restrict access to additional financial support in respect of the same expenditure under other regional state aid schemes; it also provides that state aid may be granted in addition to EU funds.

LABOR FORCE INCENTIVES

I. Law No.76/2002 regarding the unemployment social insurance system and employment stimulation.

Employment and new jobs creation are stimulated by means of:

- subsidies awarded for creating new jobs;
- favorable granting conditions for credits contracted for the creation of new jobs;
- grants awarded from the unemployment insurance budget;
- other incentives (tax exemptions; reduction of the 2.5% contribution quota to the unemployment insurance budget; training subsidies – the equivalent of 50% of the training expenses for up to 20% of the employees)

Responsible authority: Agentia Nationala pentru Ocuparea Fortei de Munca (Romanian Agency for Employment)

II. Law No.72/2007 regulating student employment stimulation.

Incentives: monthly financial incentive of up to 50% of the value of the social reference indicator of the unemployment insurance system/student

Maximum Duration of the scheme: 60 working days in one calendar year.

Responsible authority: Agentia Nationala pentru Ocuparea Fortei de Munca (Romanian Agency for Employment)

III. Other state aid schemes supporting employment:

- **Order No. 308/2009 of the Minister of Labor, Family and Social Protection** approving the state aid scheme for employment: “Funds for completing your team”;

Provider: Romanian Ministry of Labor, Family and Social Protection, through the Management Authority for the Operational Sectorial Programme for Human Resources Development (AMPOSDRU)

- **Order No. 309/2009 of the Minister of Labor, Family and Social Protection** approving the state aid scheme for general and specific training “Funds for professional training”

Provider: Romanian Ministry of Labor, Family and Social Protection, through the

Management Authority for the Operational Sectorial Programme for Human Resources Development (AMPOSDRU)

- **Order No. 310/2009 of the Minister of Labor, Family and Social Protection** approving *de minimis* state aid scheme “Funds for employees health and safety”

Provider: Romanian Ministry of Labor, Family and Social Protection, through the Management Authority for the Operational Sectorial Programme for Human Resources Development (AMPOSDRU)

INDUSTRIAL PARKS

I. Order No. 296/2007 issued by the Minister of Interior and Administrative Reform approving regional state aid scheme for supporting investments in industrial parks.

Application fields: all fields of activity.¹

Eligible areas: all 8 development regions in Romania

Fiscal incentives: exemptions from taxes on land and buildings; exemption from the payment of taxes on modifying the destination of the land in industrial parks; exemption from the payment of taxes on the withdrawal of the land in the industrial park from agricultural use.

Maximum allocated budget/scheme: RON 268,681,461;

Budget 2009:

- land tax exemption: RON 552,609.5;
- building tax exemption: RON 16,320,000.0;
- exemption from the payment of taxes on modifying the destination of the land in industrial parks / on the withdrawal of the land in the industrial park from agricultural use: RON 1,150,000

Duration of the scheme: 2007 – 2013, December 31st

Responsible authority: Romanian Ministry of Administration and Interior

¹ **Exceptions:** fishery and aquaculture, shipbuilding sector, steel industry,, synthetic fibers; primary production of the agricultural products listed in annex 1 to the Treaty establishing the European Community, processing and marketing of agricultural products, including imitation and substitute milks, or milk products according to art.3 part (2) of the EEC Regulation No.1898/1987. Aid is not provided under present scheme as financial support for export-related activities towards third countries or Member States, namely aid directly linked to the quantities exported, to the establishment and operation of a distribution network or to other current expenditure linked to the export activity; aid contingent upon the use of domestic over imported goods; purchase of transport equipments in transport sector

ENVIRONMENT

I. Emergency Ordinance No.196/2005 on *Environment Fund*

Environment Fund destination: supporting and carrying out priority environmental protection projects and programs

Eligible projects: enhancing environmental performance by:

- a) preventing pollution;
- b) reducing the impact on air, water and ground;
- c) reducing noise levels;
- d) using green technology;
- e) waste (including dangerous waste) management;
- f) protection of the local water resources, water treatment and purifying plants;
- g) integrated management of the coast area;
- h) preserving biodiversity;
- i) natural protected areas management;
- j) educating and increasing public awareness on the importance of environmental protection;
- k) increasing reusable energy production;
- l) greenhouse gas emission cuts;
- m) environmental reconstruction and forest sustainable management;
- n) afforestation of degraded lands in forest scarce areas, identified as such by the law;
- o) closing down tailings management facilities (TFMs);
- p) works meant to prevent, remove and/or reduce the impact of dangerous meteorological phenomena on the hydrological harnessing on state public property..

Financing:

- non-refundable financing or co-financing
- co-financing projects supported by EU funds and/or other international funds

Budget 2009: RON 1,799,673.33

Responsible authority: Romanian Ministry of Environment – Environment Fund Administration

INCENTIVES for SMEs DEVELOPMENT

I. Government Decision No.1164/2007 on granting *de minimis* state aid for the development and modernization of enterprises.

Application fields: manufacturing; hotels and restaurants; information and communication; administrative and support service activities (general cleaning of buildings, other building and industrial cleaning activities); other service activities (repair of household appliances and home and garden equipment, repair of footwear and leather goods, washing and (dry-) cleaning of textile and fur products).¹

Beneficiaries: small and medium sized enterprises meeting eligibility criteria required by the law

Awarding: grants: *awarding sources:* State budget

Maximum budget/*de minimis* aid scheme: Euro 100 million (RON equivalent) / 5 year period²

Maximum aid ceiling: Euro 200,000 over a 3 consecutive fiscal year period

Provider: Romanian Ministry of Public Finance

Duration of the scheme: 5 years (2007-2011), with the possibility of extending this interval.

II. Order No. 632/2008 issued by the Minister of Economy and Finance approving *de minimis* state aid scheme supporting small and medium sized enterprises access to broadband and related services

Eligible area: the entire territory of Romania, all 8 development regions.

Scope: increasing SMEs and micro-enterprises competitiveness by facilitating their access to communication and information technologies.

Application field: all fields of activity.³

¹ As modified by **Government Decision No. 631/2009**

² As modified by **Government Decision No. 631/2009**

³ **Exceptions:** fishery and aquaculture covered by COUNCIL REGULATION (EC) No 104/2000; primary production of the agricultural products as listed in annex 1 to the Treaty establishing the European Community, processing and marketing of agricultural products as listed in annex 1 to the Treaty establishing the European Community in the following cases: 1. when the amount of the aid is fixed on the basis of the price or quantity of such products purchased from primary producers or put on the market by the enterprises concerned; 2. when the aid is conditional on being partly or entirely passed on to primary producers; export-related activities towards third countries or Member States, namely aid directly linked to the quantities exported, to the establishment and operation of a distribution network or to other current expenditure linked to the export activity; aid contingent upon the use of domestic over imported goods; enterprises active in the

Awarding: grants; *awarding sources: EU funds*

Aid ceiling: maximum 80% of the project's eligible expenses, and not exceeding Euro 25,000 (RON equivalent).

Total estimated budget/scheme: maximum Euro 48 million (RON equivalent); **budget 2009:** Euro 9 million

Duration of the scheme: 2008 – 2013, December 31st

Provider: Romanian Ministry of Economy, through the Managing Authority for the Sectorial Operational Program "Enhancing Economic Competitiveness"

III. Order No. 478/2008 issued by the Minister of Economy and Finance, approving *de minimis* state aid scheme "Support for consultancy and training granted to small and medium-sized enterprises for issuing and implementing investment projects."

Eligible area: the entire territory of Romania, all 8 development regions

Application field: small and medium sized enterprises (co-operative societies included) meeting the eligibility criteria required by the law; microenterprises are excluded.

Sectors: extractive industry, manufacturing, water distribution, sanitation, waste management, decontamination activities, constructions.¹

Awarding: grants; *awarding sources: both EU and national funds*

Aid ceiling: maximum value of the *de minimis* aid is 70% of the eligible expenditure with specific consultancy and specialized training for SMEs. The value of the non-refundable allocation is maximum 10% of the eligible expenditure directly related to the investment project, but not exceeding Euro 150,000 (RON equivalent).

Total estimated budget/scheme: Euro 21.99 million (RON equivalent), **budget 2009:** Euro 3.21 million.

Duration of the scheme: 2008 – 2013, December 31st

Provider: Romanian Ministry of Economy, through the Managing Authority for the Sectorial Operational Program "Enhancing Economic Competitiveness".

coal sector, covered by the Council Regulation (EC) No.1407/2002; for the acquisition of road freight transport vehicles granted to enterprises performing road freight transport for hire or reward, enterprises in difficulty, as defined in Community guidelines on state aid for rescuing and restructuring firms in difficulty (2004/C 244/02).

¹ *with the exceptions provided by the law*

IV. Order No. 477/2008 issued by the Minister of Economy and Finance approving the state aid scheme “Support for the consolidation and modernization of the Romanian productive sector, through investment by small and medium-sized enterprises”

Eligible area: the entire territory of Romania, all 8 development regions

Application field: small and medium sized enterprises (co-operative societies included) meeting eligibility criteria required by the law; microenterprises are excluded

Sectors: extractive industry, manufacturing, water distribution, sanitation, waste management, decontamination activities, constructions.¹

Awarding: grants awarded as follows:

- a) for support amounting up to Euro 250,000 (RON equivalent) - maximum 3 installments, according to stipulations is the financing contract;
- b) for support amounting between Euro 250,001 and Euro 1,500,000 (RON equivalent) – maximum 5 installments, according to stipulations in the financing contract.

awarding sources:

- *European Fund for Regional Development*
- *national public funds (State budget)*

Maximum state aid intensity:

Medium-sized enterprises:

- 50% for projects in Bucharest-Ilfov region;
- 60% for projects in the other 7 development regions in Romania.

Small-sized enterprises:

- 60% for projects Bucharesti – Ilfov region;
- 70% for projects in the other 7 development regions in Romania.

Maximum financing ceiling:

- a) Euro 250,000 (RON equivalent), for projects to be filled during a *limited* submission period (call for project proposals);
- b) Euro 1,500,000 (RON equivalent), for projects to be filled during a *continuous* submission period (call for project proposals);

Total estimated budget/scheme: Euro 346.2 million (RON equivalent); **budget 2009:**

- Euro 33.1 million (for financial support amounting up to Euro 250,000 (RON equivalent));

¹ *with the exceptions provided by the law*

- Euro 16.8 million (for financial support amounting between Euro 250,001 and Euro 1,500,000 (RON equivalent));

Duration of the scheme: 2008 – 2013, December 31st

Provider: Romanian Ministry of Economy, through the Managing Authority for the Sectorial Operational Program “Enhancing Economic Competitiveness”

V. Order No.480/2008 issued by the Minister of Economy and Finance approving *de minimis* state aid scheme “Support for increasing small and medium-sized enterprises competitiveness throughout consultancy services.”

Eligible area: the entire territory of Romania, all 8 development regions

Application field: microenterprises, small and medium sized enterprises (co-operative societies included) meeting eligibility criteria required by the law and activating in all activity fields.¹

Awarding: grants - one single installment; awarding sources:

- European Regional Development Fund
- national public funds (State budget)

Maximum aid intensity: 70% of the total eligible expenditure of the project

Maximum ceiling of the *de minimis* aid/project: Euro 10,000 (RON equivalent)

Total estimated budget/scheme: Euro 65 million (RON equivalent); **budget 2009:** Euro 8.78 million

Duration of the scheme: 2008 – 2013, December 31st

Provider: Romanian Ministry of Economy, through the Managing Authority for the Sectorial Operational Program “Enhancing Economic Competitiveness.”

¹ **Exceptions:** fishery and aquaculture covered by COUNCIL REGULATION (EC) No 104/2000; primary production of the agricultural products as listed in annex 1 to the Treaty establishing the European Community, processing and marketing of agricultural products as listed in annex 1 to the Treaty establishing the European Community in the following cases: 1. when the amount of the aid is fixed on the basis of the price or quantity of such products purchased from primary producers or put on the market by the enterprises concerned; 2. when the aid is conditional on being partly or entirely passed on to primary producers (farmers); export-related activities towards third countries or Member States, namely aid directly linked to the quantities exported, to the establishment and operation of a distribution network or to other current expenditure linked to the export activity; aid contingent upon the use of domestic over imported goods; enterprises active in the coal sector, covered by the Council Regulation (EC) No.1407/2002; for the acquisition of road freight transport vehicles granted to enterprises performing road freight transport for hire or reward, enterprises in difficulty, as defined in the Community guidelines on state aid for rescuing and restructuring firms in difficulty (2004/C 244/02).

VI. Order No.1609/2007 issued by the Minister of Economy and Finance approving three *de minimis* state aid schemes on promoting export:

1. Participation to International fairs and exhibitions

Application field: promoting export in all fields of activity.¹

Awarding: grants

Aid cumulation: *de minimis* aid can be cumulated with other state aids awarded for the same eligible costs. In case such cumulation results into an aid intensity exceeding the intensity level established in accordance with the Regulation on block exemptions or other decision adopted by the European Commission, the *de minimis* aid cannot be awarded.

Budget/scheme: Total value of the aids awarded under the present scheme shall not exceed RON 325,000,000; **budget 2009:** RON 40,000,000

Duration of the scheme: 2007 – 2013, December 31st

Provider: Romanian Ministry for SMEs, Trade and Business Environment, through the Romanian Trade Promotion Center.

2. Organizing economic missions and promotion activities abroad

Application field: promoting export in all fields of activity.²

Awarding: grants

Aid cumulation: *de minimis* aid can be cumulated with other state aids awarded for the same eligible costs. In case such cumulation results into an aid intensity exceeding the

¹ **Exceptions:** road transportation, fishery and aquaculture covered by COUNCIL REGULATION (EC) No 104/2000; primary production of the agricultural products as listed in annex 1 to the Treaty establishing the European Community, processing and marketing of agricultural products as listed in annex 1 to the Treaty establishing the European Community in the following cases: 1. when the amount of the aid is fixed on the basis of the price or quantity of such products purchased from primary producers or put on the market by the enterprises concerned; 2. when the aid is conditional on being partly or entirely passed on to primary producers (farmers); export-related activities towards third countries or Member States, namely aid directly linked to the quantities exported, to the establishment and operation of a distribution network or to other current expenditure linked to the export activity; aid contingent upon the use of domestic over imported goods; enterprises active in the coal sector, covered by the Council Regulation (EC) No.1407/2002;

² **Exceptions:** road transportation, fishery and aquaculture covered by COUNCIL REGULATION (EC) No 104/2000; primary production of the agricultural products as listed in annex 1 to the Treaty establishing the European Community, processing and marketing of agricultural products as listed in annex 1 to the Treaty establishing the European Community in the following cases: 1. when the amount of the aid is fixed on the basis of the price or quantity of such products purchased from primary producers or put on the market by the enterprises concerned; 2. when the aid is conditional on being partly or entirely passed on to primary producers (farmers); export-related activities towards third countries or Member States, namely aid directly linked to the quantities exported, to the establishment and operation of a distribution network or to other current expenditure linked to the export activity; aid contingent upon the use of domestic over imported goods; enterprises active in the coal sector, covered by the Council Regulation (EC) No.1407/2002;

intensity level established in accordance with the Regulation on block exemptions or other decision adopted by the European Commission, the *de minimis* aid can not be awarded

Budget/scheme: Total value of the aids awarded under the present scheme shall not exceed RON 49,400,000; **budget/2009:** RON 6,000,000

Duration of the scheme: 2007 – 2013, December 31st

Provider: Romanian Ministry of Economy

3. Conducting market and product surveys (surveys with complex objectives included)

Application field: promoting export in all fields of activity.¹

Awarding: grants

Aid cumulation: *de minimis* aid can be cumulated with other state aids awarded for the same eligible costs. In case such cumulation results into an aid intensity exceeding the intensity level established in accordance with the Regulation on collective exemptions or other decision adopted by the European Commission, the *de minimis* aid can not be awarded

Budget/scheme: Total value of the aids awarded under the present scheme shall not exceed RON 850,000; **budget 2009:** RON 100,000

Duration of the scheme: 2007 – 2013, December 31st

¹ *Idem*

TOURISM

Order No. 261/2008 issued by the Minister of Development, Public Works and Housing approving supporting investment in tourism by means of a *state aid scheme for regional development*

Eligible area: all 8 development regions In Romania

Application field: units activating in the field of tourism, according to provisions of Order No. 337/2007 of Romanian National Institute of Statistics (INS) updating the classification of the activities in national economy (CAEN code):

- section I – accommodation and food service activities.¹
- section R – arts, entertainment and recreation, class 9104 “Botanical and zoological gardens and nature reserves activities, and groups: 931 “Sports activities” and 932 “Amusement and recreation activities”
-

Awarding: grants/project implementation stages;

awarding sources:

- *European Regional Development Fund*
- *national public funds (state budget)*

Budget/scheme: Total value of the aids awarded under the present scheme shall not exceed RON 426.25 million; **budget 2009:** RON 138.27 million

Duration of the scheme: 2008-2010

Scheme implementation authority: Romanian Ministry of Regional Development and Housing

¹ **Exceptions:** group 562 “Event catering and other food service activities”

AGRICULTURE

Order No. 567/2008 of the Ministry of Agriculture and Rural Development approving the de minimis state aid scheme “Supporting economic activities for diversifying rural economy and improving life quality in rural areas”

Eligible areas: rural areas (communes) in all 8 development regions in Romania.

Application field: investment in non-agricultural sectors

Awarding: grants up to 70% of the project eligible expenditure, not exceeding the maximum ceilings stipulated in measures technical sheets;

awarding sources:

- European Agricultural Fund for Rural Development (EAFRD)
- National public funds (State budget)

Minimum ceiling/project: Euro 5,000 (amount representing the total eligible value of the project)

Duration of the scheme: 2007-2013

Maximum estimated budget/scheme: Euro 1,006,613,348 public contribution, out of which Euro 805,290,678 EAFRD, and Euro 201,322,670 national funds (state budget)

Budget 2009:

- measure 312 - Euro 95,857,420, public contribution;
- measure 313 – Euro108,844,555, public contribution;
- measure 322, component C - Euro 19,740,223 public contribution.

Responsible authority: Ministry of Agriculture, Forestry and Rural Development, through the Managing Authority for the National Program for Rural Development

OTHERS

Beside the above mentioned state aid schemes, the **Romanian Ministry of Economy** also awards state aid by means of the following schemes within the **Sectorial Operational Programme “Enhancing Economic Competitiveness”**:

Axis I: An innovative and eco-efficient production system

- **Order No. 1862/2008** approving *de minimis* state aid scheme “Supporting SMEs in implementing international standards and enhancing competitiveness through access to new markets and internationalization”;

Axis II: Research, technological development and innovation for competitiveness

- **Order No.1.293/2008** approving regional state aid scheme: “Financing initial investment projects in the field of R&D and innovation”;
- **Order No. 387/2008** approving *de minimis* state aid scheme: “*De minimis* aid for supporting innovative START-Ups and SPIN-Offs”;
- **Order No. 3388/2008** approving state aid scheme: “Financing innovation and R&D projects”.

Axis III: Communication and information technologies for public and private sectors

- **Order 2229/2008** approving regional state aid scheme: “Aid for investment by SMSs in the field of e-Economy development”;
- **Order 2159/2008** approving *de minimis* state aid scheme: “Aid for supporting SMEs through special training and consultancy services for investment projects implementation in the field of e-Economy”;

Axis IV: Enhancing energetic efficiency and supply security while fighting climatic changes

- **Government Decision No. 750/2008** approving regional state aid scheme for renewable energy resources harnessing:

Application field: economic agents, big enterprises and SMEs activating in all economic sectors.¹

Eligible area: all 8 development region in Romania

Investment: initial investment for the construction and upgrading of electric and thermal energy production capacities by renewable energy sources harnessing (energy sources: biomass; micro-hydro (installed power < 10 MW); sun, wind and

¹ with the exceptions provided by the law;

geothermal energy, biofuels. Investments for the already existing fixed assets rehabilitation or replacement are not acceptable.¹

Beneficiaries: economic agents, big enterprises and SMEs, meeting the eligibility criteria required by the law, and which can file investment projects individually

Awarding: grants awarded in installments, according to stipulations in the financing contract; *awarding sources:* EU and national funds

Eligible expenses:

- a) integral costs covering investment in tangible assets, for both big enterprises and SMEs;
- b) costs covering investment in intangible assets – integral costs, in case of SMEs, and respectively up to 50% of the total eligible expenditure of the project, in case of big enterprises.

Maximum financing ceiling:

- a) 40% of the total eligible expenditure, for Bucharest-Ilfov region;
- a) 50% of the total eligible expenditure, for any of the other 7 development regions in Romania. These intensity ceilings increase by 20% in case of small enterprises, and by 10% in case of medium sized enterprises.²

Duration of the scheme: 2008-2013

Total estimated budget/scheme: Euro 200,000,000 (RON equivalent); **budget 2009:** Euro 30.6 million

Authority responsible: Romanian Ministry of Economy, through the General Direction for Energetic Policy

¹ the present scheme does not apply to projects with a total expenditure exceeding Euro 50 million

² **Exceptions:** economic agents activating in the field of transport