

NEWSLETTER
Issue No. 74
Romanian legal developments
enacted between
January 1, 2007 to January 31, 2007

COMPANY LAW

- *Law No. 516/2006 supplementing the provisions of Law No. 302/2005 amending and supplementing Law No. 31/1990 on companies (“**Law 516/2006**”)*

Law 516/2006 was published with the Official Gazette No. 14 of January 9, 2007 and entered into force on January 12, 2007.

Under the provisions of Law 516/2006, joint stock companies are allowed to increase their share capital using capital reserves, benefits and premiums (legal reserves are excepted), including favorable differences in the reevaluation of the social patrimony. Such permission is valid until January 31, 2007.

BANKING LAW

- *Rule No. 1/2007 (Rom. “**Circulara Nr. 1/2007**”) regarding the reference interest rate of the National Bank of Romania for January 2007 was published with the Official Gazette No. 17 of January 10, 2007 (“**Rule 1/2007**”).*

Rule 1/2007 entered into force on January 10, 2007. The reference interest rate established by the National Bank of Romania for January 2007 is of 8,75% per year, equal as the interest rate established by the National Bank of Romania for December 2006.

PENAL LAW

- *Government Decision No. 1897/2006 approving the Implementation Rules of Law No. 275/2006 on serving punishments and compliance with measures ordered by judiciary bodies during a criminal trial (“**Government Decision 1897/2006**”)*

Government Decision 1897/2006 was published with the Official Gazette No. 24 of January 16, 2007 and entered into force on January 16, 2007. The decision provides details with regard to serving punishments and measures ordered by courts of law according to the Romanian Criminal Code.

PATENTS

- *Law No. 28/2007 amending and supplementing Law No. 64/1991 on patents was published with the Official Gazette No. 44 of January 19, 2007 (“Law 28/2007”)*

Law 28/2007 shall enter into force on April 19, 2007, except for the provisions of art. 31 para 3 and art. 35 para 1 item d, that entered into force on January 22, 2007.

Law 28/2007 provides for the cases when patents are not granted and establishes that discoveries, scientific theories, mathematical methods, aesthetic creations, plans, principles and methods in exercising mental activities, in games or economic activities and the computer software are not deemed as inventions.

REAL ESTATE

- *Law No. 22/2007 approving Government Emergency Ordinance No. 54/2006 on the regime of the concession agreements regarding the real estates held in private property (“Law 22/2007”).*

Law 22/2007 was published with the Official Gazette No. 35 of January 18, 2007 and entered into force on January 21, 2007.

Law 22/2007 provides for the definition of “auction” and establishes a number of obligations of the entity subject to concession. Under Law 22/2007, any entity may seek Public Acquisitions Authority advice on grounds for qualifying a contract as an object of a concession procedure.

ENERGY LAW

- *Law No. 13/2007 on electric energy was published with the Official Gazette No. 51 of January 23, 2007 (“Law 13/2007”).*

Law 13/2007 shall enter into force on February 23, 2007.

Law 13/2007 provides the regulatory framework for the performance of activities in sectors related to use of electric energy.

Under Law 13/2007, the competent authority in electric energy sector is National Authority for Electric Energy Regulation.

Law 13/2007 transposes provisions of art. 2, item 3-12, 14, 15, 21, 23, art. 6, para 3, art. 7, para 1 and 2, art. 7, para 5 and art. 23, para 1 of Directive 2003/54/CE regarding joint rules on domestic electric energy market and provisions of art. 4 para 3 of Directive 2004/8/CE for promoting cogeneration based on practical heating requirement on the domestic electric energy market.

NOTE: In connection to this newsletter, readers may address questions to its authors at marius.petroiu@lp-legal.com, or crisrina.voevodschi@lp-legal.com, on behalf of Pachiu&Associates.

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