

Tax & Legal Alert

ROMANIA 14 August 2007

Amendments to the rescheduling of paying outstanding liabilities to power and water suppliers

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Emergency Government Ordinance no. 57/2002 ("Ordinance") on the rescheduling of payments of outstanding liabilities to power and water suppliers has been repealed by Law no. 242/2007 ("Law").

The Ordinance from 2002 regulated the rescheduling of payment of invoices outstanding as of 31 December 2001 for electricity, thermal power, natural gas, fuel, coal and water as well as for payment of related late-payment penalties. Under the Ordinance, agreements were concluded between the debtor and the power and water suppliers to establish the payment schedules and the related conditions.

The new Law states that for agreements already concluded, the rescheduling of liabilities and the specific conditions stay in force, but no new agreements can be concluded.

From the date this Law enters into force, the rescheduling of payments of liabilities are to be performed in accordance with the state aid legislation, with the Ministry of Economy and Finance performing the necessary notification.

[Source: Official Gazette No. 496 of 24 July 2007]

For more information, please contact Peter de Ruiter, Mihaela Mitroi or Ionut Simion.