

STATE AID FOR REGIONAL DEVELOPMENT 2014 – 2020

*FINANCIAL SUPPORT
FOR THE PRIVATE SECTOR*

STATE AID

LEGAL BASIS:

- a. Government Decision 332/2014 – State aid for investments which promote regional development through job creation
- b. Government decision 807/2014 – state aid for stimulating the investment with major impact in economy

STATE AID

A. Government decision 332/2014 –

**State aid for investments which promote regional
development through job creation**

STATE AID

DURATION AND BUDGET

- The state aid scheme is available to companies registered in Romania, for investments to be developed in Romania in any region
- The state aid scheme aims promoting regional development through job creating
- Overall budget: 600 million Euro
- Annual budget: 100 million Euro
- The total estimated number of companies which will benefit: 1700
- Contracting period: July 1, 2014 – December 31, 2020
- Payment period: 2015 – 2025

STATE AID

Who can apply for funding under the state scheme?

Companies which may request state aid under this scheme are **recently established companies** or **ongoing activity companies, both SMEs and large enterprises**, with **legal personality** established under the **Law of Companies no. 31/1990**, republished, subsequent amendments.

Companies with net profit margin above 1% and positive equity for the most recent closed financial year.

The applicant does not have shareholders which own or have owned in the past 2 years, a company with the same activity.

STATE AID

Eligibility criteria

To be registered in Romania according to Law 31/1990;

To make an initial investment which falls in one of the eligible fields of the scheme;

No outstanding debts to the state budgets;

It is no subject to enforcement proceedings, bankruptcy, judicial reorganization, dissolution, operational shut-down, liquidation or other such situation stipulated by the law;

Does not qualify as a "company in difficulty"

It is not subject to state aid recovery decision or, if subject of this decision, the obligations have been fulfilled;

It has not received another state aid or minimis aid in respect of the same eligible costs;

The applicant didn't close in the past 2 years, or does not intend to close within 2 years from the finalization of the proposed investment, a similar activity in another European Economic Area.

STATE AID

KEY CRITERIA FOR GRANTING THE STATE AID

- A. THE NUMBER OF NEW JOBS/ MINIMUM NUMBER OF JOBS TO BE CREATED – 10 JOBS
- B. PERIOD OF CREATING AT LEAST 10 JOBS – 1 YEAR
- C. LOCATION OF INVESTMENT – FOR COUNTRIES WHERE UNEMPLOYMENT RATE IS HIGHER THAN COUNTRY'S AVERAGE
- D. NET PROFIT MARGIN OF APPLICANT IN THE LAST FINANCIAL YEAR – ABOVE 2%
- E. SHARE CAPITAL OF APPLICANT (FOR THE NEW ESTABLISHED COMPANIES) – ABOVE 35 000 LEI

STATE AID

B. Government decision 807/2014 –

State aid for stimulating investments with major impact in the economy

STATE AID

DURATION AND BUDGET

- The state aid is available for companies registered in Romania for investments to be developed in Romanian regions
- The state aid aims to promote investments with major impact in economy
- Overall budget: 600 million Euro
- Annual budget: 100 million Euro
- The total estimated number of companies to benefit of the scheme: 150
- Contracting period: until December 31, 2020
- Payment period: 2015 - 2023

STATE AID

Who can apply for funding under the state scheme?

Companies which may request state aid under this scheme are **recently established companies** or **ongoing activity companies, both SMEs and large enterprises**, with **legal personality** established under the **Law of Companies no. 31/1990**, republished, subsequent amendments.

Companies with net profit margin above 1% and positive equity for the most recent closed financial year.

The applicant does not have shareholders which own or have owned in the past 2 years, a company with the same activity.

STATE AID

Eligibility criteria

To be registered in Romania according to Law 31 /1990;
To make an initial investment which falls in one of the eligible fields of the scheme;
No outstanding debts to the state budgets;
It is no subject to enforcement proceedings, bankruptcy, judicial reorganization, dissolution, operational shut-down, liquidation or other such situation stipulated by the law;
Does not qualify as a "company in difficulty"
It is not subject to state aid recovery decision or, if subject of this decision, the obligations have been fulfilled;
It has not received another state aid or minimis aid in respect of the same eligible costs;
The applicant didn't close in the past 2 years, or does not intend to close within 2 years from the finalization of the proposed investment, a similar activity in another European Economic Area.

STATE AID

KEY CRITERIA FOR GRANTING THE STATE AID

making an initial investment of at least 10 million euro, in sectors that are not specifically excluded from the scheme (non-eligible activities)
maintaining the investment for a period of at least 5 years from the date of completion

STATE AID

What are the eligible and non-eligible expenses related to the initial investment?

There are considered eligible expenses, **costs without VAT linked to implementing or acquisition, where appropriate, the tangible and intangible assets and expenses linked to renting construction** related to the initial investment achievement.

There are considered ineligible expenses, **costs without VAT linked to implementing or acquisition, where appropriate, the tangible and intangible assets and expenses related to renting construction** that do not qualify as eligible expenses. Ineligible costs are not funded by st

STATE AID

STAGES OF THE EVALUATION PROCESS APPLICATION PROCESS FOR FINANCING AGREEMENT

Assessment Application for funding agreement is achieved in a single step, which Includes:

- Application Registration for funding agreement,
- Application Assessment for funding agreement in terms of submitted documents compliance,
- Application Assessment for funding agreement in terms of the conditions and eligibility criteria,
- Viability Assessment of the project investment and economic efficiency of the enterprise on the information and documents submitted in the business plan,
- Information and / or documents request to complete the application for funding agreement, if any,
- Application solving of the financing agreement,
- Sending mail with acknowledgement of receipt for funding agreement or for rejecting letter of request for funding agreement, as applicable.

STATE AID

State aid is paid to companies that have received funding agreement, after performing partial or total eligible expenditure of initial investment under the plan investment and approved by the agreement for funding, within the limit of the annual budget approved.

STATE AID

Thank you for watching this.

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