

Romania: update to the legal framework of representative offices

August 2022

On 4 August 2022, the Romanian Government issued a new ordinance no. 18/2022 (GO 18/2022) which replaces the former decree-law for the authorisation and functioning of foreign entities' representative offices in Romania, aimed at simplifying and digitalising a process that has remained unchanged since 1990.

The main changes are:

1. Dedicated digital platform

- All requests for issuance of authorisations for the functioning of representative offices, the extension or amendment of issued authorisations, and the deregistration of representative offices will be filled in and submitted through an electronic platform.
- The platform will work also as an open access digital database of information on representative offices registered in Romanian and authorised by the Ministry of Entrepreneurship and Tourism.

2. Direct communication between the Ministry of Entrepreneurship and Tourism and the Public Finance Administration

- The communication of the issuance, extension or amendment of authorisations, as well as the issuance of letters confirming the deregistration of the representative offices will be made automatically to the competent Public Finance Administration, through the digital platform.

3. New timeline for registrations

- The initial, extended or amended authorisations will be issued through the digital platform within 30 days as of the registration of the respective requests or as of the date all necessary documents and information have been submitted to the Ministry. Deregistration of representative offices will be performed in the same term.
- Any extension of the authorisation must be filed through the digital platform 30 days prior to the expiry of its duration, under the sanction that the respective authorisation will be withdrawn.
- The deregistration of a representative office from the records of the Ministry of Entrepreneurship and Tourism will be done only after the representative office has been deregistered from the fiscal authority.

4. Minimum duration of representative offices

- GO 18/2022 provides for a minimum term of 1 year for which the functioning authorisation can be requested, with the possibility of extension for the same period.

5. Updated authorisation fee

- The new authorisation fee is of EUR 1,000/year (instead of the former USD 1,200/year fee), equivalent in Romanian currency at the National Bank of Romania exchange rate on the payment date, to be paid, same

as before, to the competent fiscal authority in which jurisdiction the headquarters of the representative office is established.

6. Transitory provisions

- All authorisations issued prior to the entry into force of GO 18/2022 will be valid according to the normative act based on which they were issued, therefore no specific actions should be taken.
- The methodological norms for the enforcement of GO 18/2022 will be enacted within 60 days as of the entry into force of GO 18/2022 (i.e., as of 7 August 2022) and the dedicated digital platform will be operational within 180 days as of the same date. Until the set-up of the platform, the filing and processing of requests will be done in accordance with the previous procedure.

About Wolf Theiss

Wolf Theiss is one of the leading European law firms in Central, Eastern and South-Eastern Europe with a focus on international business law. With 340 lawyers in 13 countries, over 80% of the firm's work involves cross-border representation of international clients. Combining expertise in law and business, Wolf Theiss develops innovative solutions that integrate legal, financial and business know-how.

For more information about our services, please contact:



Ileana Glodeanu
Partner

E ileana.glodeanu@wolftheiss.com
T +40 21 308 81 00



Luciana Tache
Senior Associate

E luciana.tache@wolftheiss.com
T +40 21 308 81 00



Marius Moldoveanu
Associate

E marius.moldoveanu@wolftheiss.com
T +40 21 3088 137

This memorandum has been prepared solely for the purpose of general information and is not a substitute for legal advice. Therefore, Wolf Theiss accepts responsibility if – in reliance on the information contained in this memorandum – you act, or fail to act, in any particular way. If you would like to know more about the topics covered in this memorandum or our services in general, please get in touch with your usual Wolf Theiss contact or with: