

Romania: The single industrial license – one step closer to less bureaucracy

November 2022

The Government Emergency Ordinance no. 140/2022 regarding the single industrial license ("GEO 140/2022") was published in the Official Gazette on October 20, 2022 and entered into force on its publication date.

As a general note, GEO 140/2022 sets out the legal framework regarding the issuance of the single industrial license and aims to simplify the procedure for issuing licenses, authorizations, approvals, prior approvals, and permits, which are now required under the law for carrying out industrial activities. The above, currently issued by approximately 38 different authorities, represent the underlying documentation for the issuance of the future single industrial license.

The single industrial license

GEO 140/2022 defines the single industrial license as the unilateral administrative deed granting the applicant the permission to carry out one or more industrial activities. The single industrial license will be granted by the newly established Office for Industrial License (the "**Office**") on the basis of the administrative deeds (i.e., the licenses, authorizations, approvals, prior approvals, and permits that are now required under law for carrying out a specific industrial activity) issued by the competent authorities (i.e., the authorities or the public institutions responsible for issuing licenses, authorizations, approvals, prior approvals, permits or other administrative documents provided for by law in order to carry out an industrial activity, as they are detailed in Annex 2 to the GEO 140/2022 (the "**Competent Authorities**"). By way of example, such Competent Authorities are: several ministries (such as, Ministry of Energy or Ministry of Culture), several national authorities (such as, National Authority for Costumer Protection or National Authority for Qualifications), several national agencies (such as, National Agency for Mineral Resources or National Agency for Export Control), several local departments (such as, Bucharest or County Public Health Directorate) etc.

Further, depending on the risk that comes along with the industrial activity, the single industrial license is categorized in 3 types: **(i)** single industrial license for high risk industrial activity, **(ii)** single industrial license for medium risk industrial activity, and **(iii)** single industrial license for low risk industrial activity. The assignment of an industrial activity into one of the 3 categories mentioned above is going to be carried out based on the instructions that are going to be further adopted and implemented by the Office (i.e., within 30 days as of the establishment of the Office by Government Decision, see below) and considering at least the following risk factors: impact on the population's health, impact on the environment, work safety, and energy consumption.

The Office and the Inter-ministerial working group

Under GEO 140/2022, 2 new authorities are established, namely the Office and the Inter-ministerial working group for granting the single industrial license (the "**Working Group**").

The Office shall be established based on a Government Decision which is to be adopted within 120 days of GEO 140/2022 entering into force and its duties are to simplify and digitalize the specific procedures related to the single industrial licenses, whereas the Working Group's purpose is to provide support to the Office, when necessary.

The procedures related to the single industrial license

The Office is the competent authority to issue, amend, suspend, renew or withdraw the single industrial license.

The application (together with the underlying documentation) is submitted via the Single Electronic Point of Contact for Industrial Licenses (the "**Single Electronic Point**") and it is addressed to the Office. Further, the responsibility to settle the application belongs to each of the Competent Authorities involved in the process of issuing the single industrial license, according to their own responsibilities. In other words, all the communication between the applicant and the Competent Authorities shall be carried out via this Single Electronic Point. Moreover, in such cases, the single industrial license and/or any response from the Competent Authorities shall be sent also via the Single Electronic Point.

Any foreign (except for the companies registered outside the European Union or the European Economic Space, which shall register a new company or a branch in Romania in order to obtain a single industrial license) or Romanian individual or legal person has the right to apply for a single industrial license.

Under GEO 140/2022, double checks are expressly forbidden. In other words, the applicant shall not be requested to provide documents/comply with conditions and/or requirements which it already provided and/or was subject to.

The Single Electronic Point

The Single Electronic Point established under GEO 140/2022 shall be integrated in the *e-guvernare.ro* Romanian platform. According to an express provision included in GEO 140/2022, the Single Electronic Point shall become operational no later than December 31, 2023.

The Single Electronic Point is interconnected with the IT systems of the Competent Authorities, with *e-guvernare.ro* platform and with the data comprised by these systems in a way that the data can be shared between the parties that hold these technologies.

Moreover, the Single Electronic Point shall facilitate a single industrial license simulator, which provides the applicant or the license holder with information on obtaining, amending or renewing a single industrial license, as well as with information on estimation of costs and deadlines.

Further, under the Single Electronic Point, the following information is made available to the public:

- the issuance procedure of a single industrial license;
- templates in electronic format;
- contact details of the Competent Authorities;
- contact details of the Office;
- information regarding the applicable legislation related to single industrial licenses;
- instructions to use the Single Electronic Point;
- information on the remedies available in case of litigation.

In conclusion, the digitalization of the procedures related to single industrial licenses is much more time effective and efficient for the applicants and/or holders of such type of licenses.

Yet, in order to reach this goal, the Competent Authorities have the obligation to identify the numerous administrative deeds (i.e., the licenses, authorizations, approvals, prior approvals, and permits that are now required under law for carrying out a specific industrial activity), to establish the interdependence between such permits and to analyse and simplify the procedures for the issuance of the single industrial license, all this within 150 days as of October 20, 2022 (i.e., until March 20, 2023 at the latest).

Further, within 60 days as of the entering into force of the Government Decision for the establishment of the Office, the Competent Authorities must submit to the Office's approval the simplified/modified procedures as per the provisions of GEO 140/2022.

All administrative deeds (licenses, authorizations, approvals, prior approvals, and permits) issued until the Single Electronic Point comes into force shall continue to be valid for the entire validity period of such deeds, as established by each relevant Competent Authority.

The provisions of GEO 140/2022 in respect of the environment approval, environment prior approval, water management prior approval, and the building permit shall apply from January 1st, 2025.

About Wolf Theiss

Founded in 1957, Wolf Theiss is one of the leading law firms in Central, Eastern and South-Eastern Europe (CEE/SEE). We have built our reputation on unrivalled local knowledge which is supported by strong international capabilities. With 362 lawyers in 13 countries, over 80% of the firm's work involves cross-border representation of international clients.

In Albania, Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Hungary, Poland, Romania, Serbia, Slovakia, Slovenia and Ukraine, Wolf Theiss represents local and international industrial, trade and service companies, as well as banks and insurance companies. Combining law and business, Wolf Theiss develops comprehensive and constructive solutions on the basis of legal, fiscal and business know-how

For more information about our services, please contact:



Roxana Dudău
Partner

E roxana.dudau@wolftheiss.com

T +40 21 308 81 00



Ana-Maria Mustătea
Associate

E ana-maria.mustatea@wolftheiss.com

T +40 21 308 81 00