



16 September 2014

STATE AID: A VIABLE FINANCING OPPORTUNITY FOR INVESTMENT PROJECTS IN ROMANIA

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STATISTICS: PAST SCHEMES

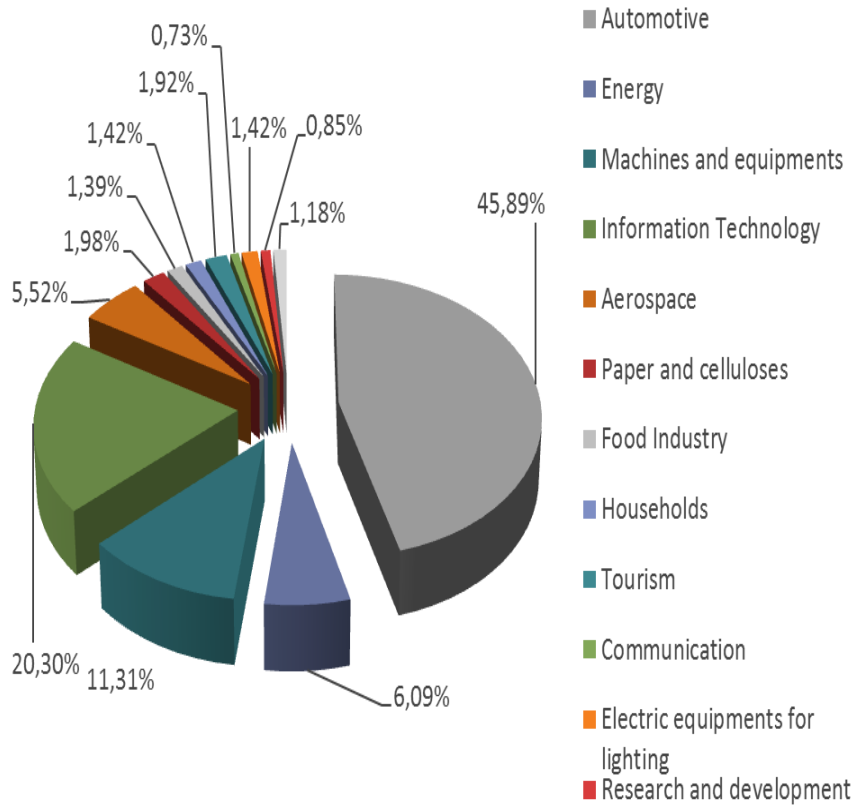
State Aid Schemes Valid until End of June, 2014

Description	Investments > 100 mil. EUR	Investments > 5 mil. EUR	R&D, Innovative Investments or IT&C
Total Budget	EUR 575 million	EUR 1 billion	EUR 135 million
Initial investment mil. EUR	> 100	5-10, 10-20, 20-30, >30	N/A
New FTEs	500	50, 100, 200, 300	200
Scheme period	2008 – 2014	2008 – 2014	2008 – 2014
Implementation period	2008-2018	2008-2018	2008-2018
Absorption rate (%)	19%	50%	99%

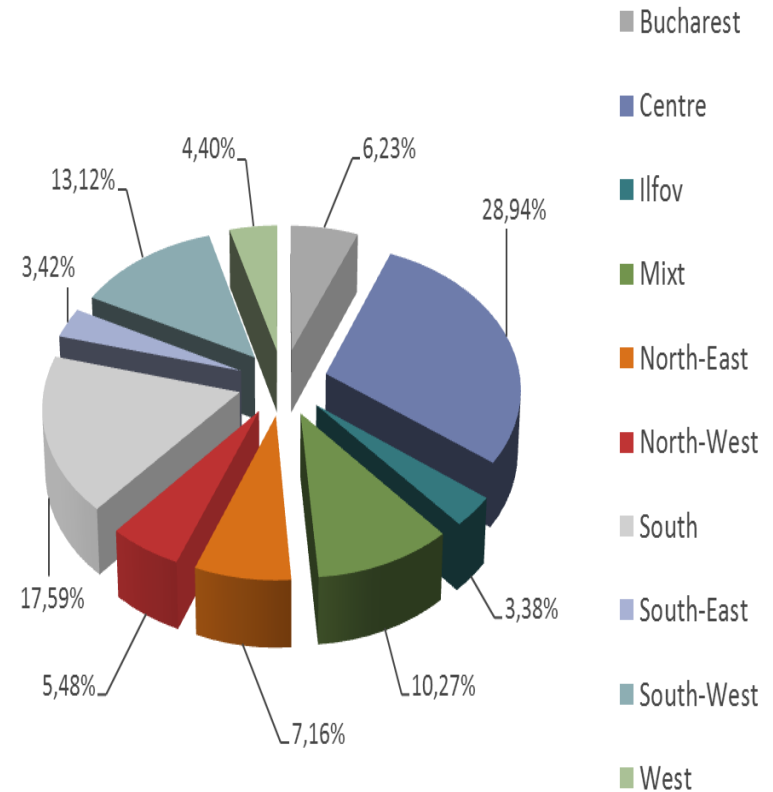
Authority responsible for state aid schemes: Ministry of Public Finances in Bucharest

State Aid Approved until End of June, 2014

By Sector



By Region



Source: based on MoF figures available at end of June, 2014

**OVERVIEW:
PAST & NEW STATE AID
SCHEMES**

PAST: Scheme for Investments in Assets exceeding 5 mil. EUR

1	Minimum: 5 mil. EUR 50 FTE	Minimum: 100 mil. EUR 500 FTE
2	Period of the scheme: 2008 – 30 June 2014	
3	Implementation period: 2008 – 2018	
4	Eligible industries: all sectors with 6 exceptions (to be discussed)	
5	Eligible costs: A. Assets: Tangible assets (productive buildings, technical installations and machines, equipments and industrial furniture) AND Intangible assets: e.g. licences, know-how, software OR A. Salaries: net salary and all related taxes for a period of 2 consecutive years	
6	Intensity: 40% for Bucharest and 50% for other regions	

PAST: Scheme for R&D, Innovative Investments and IT&C

1

Minimum:

200 new working places

investment with a component of at least 20% IT&C

2

Period of the scheme: 2012 – 30 June 2014

3

Implementation period: 2014 – 2018

4

Eligible industries: mainly R&D, IT&C

5

Eligible costs: net salary and all related taxes for a period of 2 consecutive years

6

Intensity: 40% for Bucharest and 50% for other regions

NEW: Scheme for Assets

1

Minimum: 10 mil. EUR Investment

2

Period of the scheme: 2014 – 2020

3

Implementation period: 2015 – 2023

4

Eligible industries: all sectors with some exceptions (to be discussed)

5

Eligible costs: acquisition/production of assets and rent expenses for investment construction

6

Intensity: 15%/10% for Bucharest , 35% for West and Ifov Region, 50% for other Regions

NEW: Scheme for Salary Costs

1

Minimum: 10 new working places

2

Period of the scheme: 2014 – 2020

3

Implementation period: 2015 – 2025

4

Eligible industries: all sectors with some exceptions (to be discussed)

5

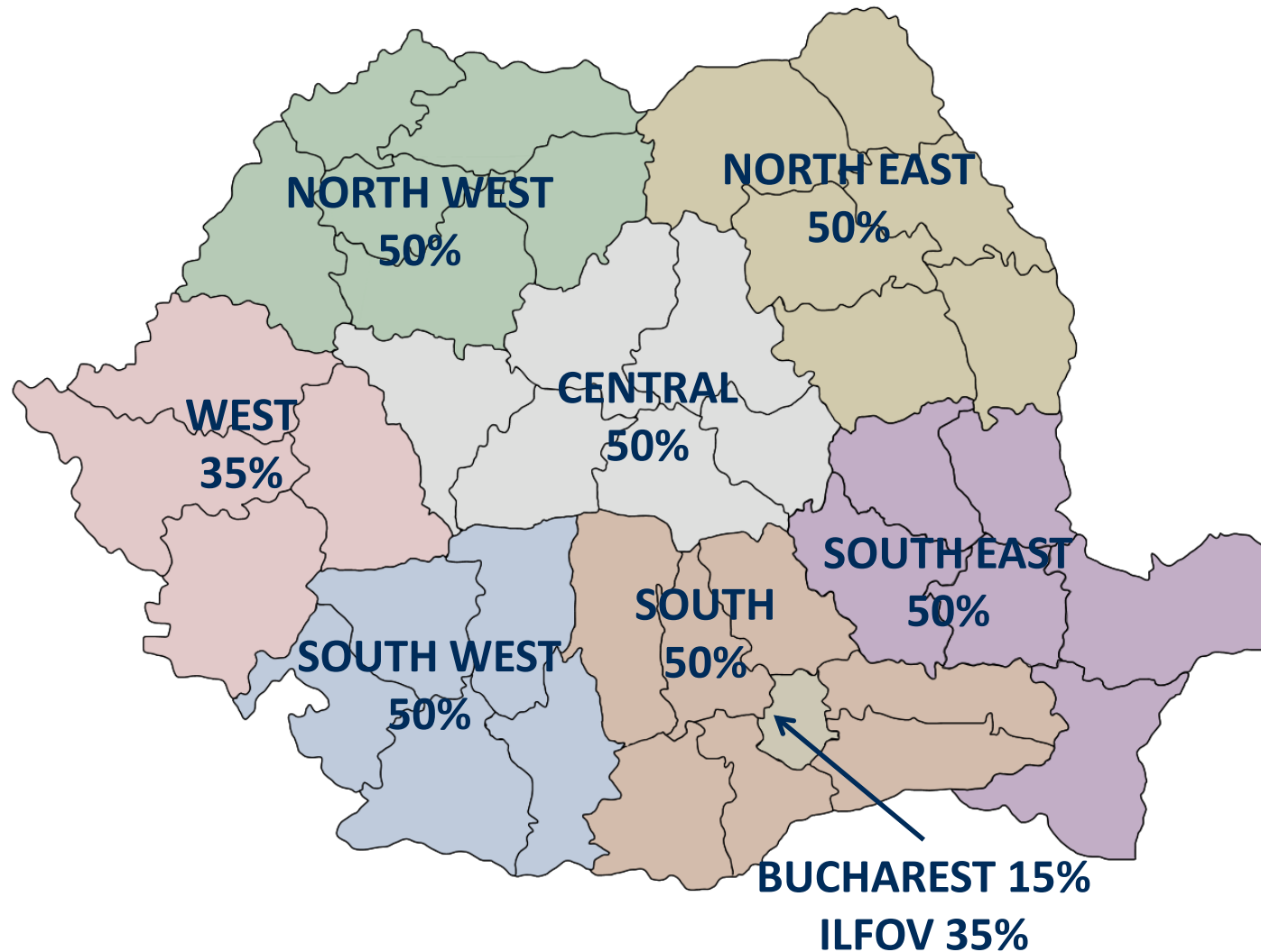
Eligible costs: net salary and all related taxes for a period of 2 consecutive years

6

Intensity: 15%/10% for Bucharest, 35%for West and Ifov Region, 50% for other Regions

TECHNICAL HIGHLIGHTS: NEW STATE AID SCHEMES

State Aid Intensity (% from Eligible Costs)



Eligibility Criteria

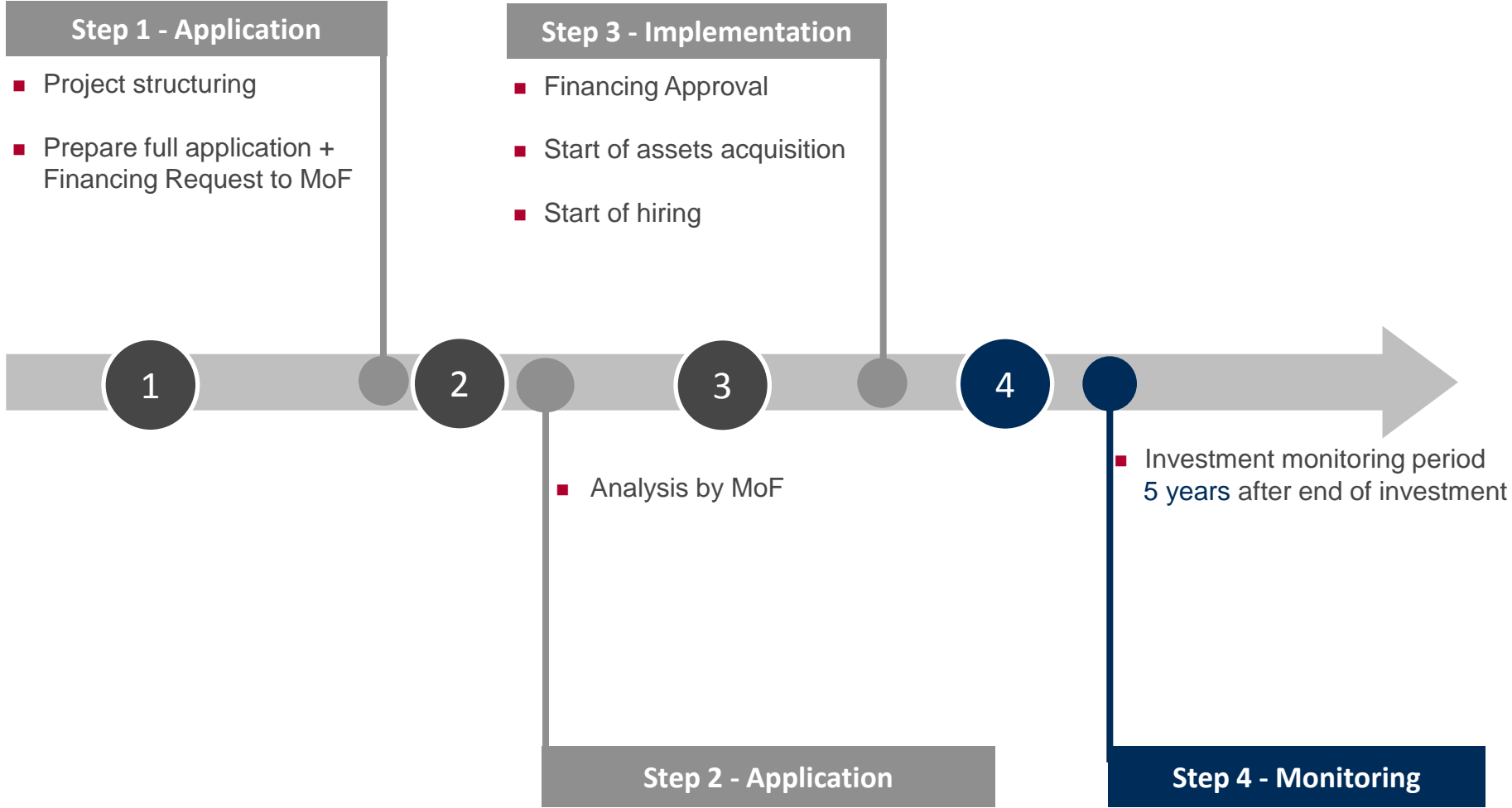
Scheme for Assets

- Minimum 10 mil. EUR investment
- Economic efficiency and viability
- Incentive effect
- Qualitative and quantitative ratios
- Taxes to be paid
- Multiplier effect in economy

Scheme for Salary Costs

- Minimum 10 FTE initial investment
(out of which 3 disfavored employees)
- Investment is viable and determines economic efficiency

Timeframe



Application



Key Points for Project Success

Scheme for Assets	
Criteria	Condition
Return on turnover	> 0%
Net Assets	positive

Scheme for Salary Costs		
Criteria	Condition	Points
New FTEs	10 employees	1
Timeframe for FTEs	<=1 year	10
Unemployment rate for region	> national average (7,2% - March 2014)	10
Return on turnover	> 2%	10
Share capital	> 35.000 RON	10

Investment cannot start before MoF Financing Approval!

Accurate and detailed Business Plan!

Accomplish promised parameters!

Deviation = state aid reduced or lost!

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