



In this issue:

New financing opportunities represented by the granting of grants for investments intended for the manufacturing industry

On August 4, 2022, Government Decision no. 959/2022 for the establishment of a state aid scheme regarding grants for investments intended for the manufacturing industry ("HG 959/2022") was published in the Official Gazette Part I no. 776.

The new regulation aims to establish a state aid scheme, regarding grants for initial investments or for initial investments in favour of a new economic activity in relevant economical sectors.

The maximum budget of the scheme is the equivalent in RON of EUR 300 million, with a maximum annual budget allocation of EUR 150 million.

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According to the provisions of HG 959/2022, the applicant's guide is to be approved by order of the Minister of Economy, within 30 days of the publication of the state aid scheme.

- State aid intensity
 - ✓ Up to 60% of the investment depending on the region of the investment;
 - ✓ The maximum intensities of state aid can be increased by up to 20 percentage points for small enterprises or by up to 10 percentage points for medium-sized enterprises
- Categories of eligible costs
 - ✓ Tangible and intangible assets
 - ✓ Salary costs - Wage costs recorded for a period of 2 consecutive years as a result of job creation
 - ✓ The combination between Tangible and intangible assets and Salary costs
 - ✓ The purchased assets must be new, with the exception of assets purchased by SMEs and f assets acquired by purchase of a unit (the acquisition of assets belonging to an unit).
 - ✓ Costs related to the rent/leasing of tangible assets can be eligible, under some specific conditions.
 - ✓ Intangible assets are eligible if cumulatively meet the following conditions:
 - a) must be used exclusively within the unit that receives the aid;
 - b) must be depreciable;
 - c) must be purchased under market conditions from third parties unrelated to the buyer;
 - d) must be included in the assets of the State aid recipient undertaking and must remain associated with the investment for which the financing has been granted for a period of at least period of five years or three years in the case of SMEs.
- Other requirements applicable to beneficiaries of the state aid scheme
 - ✓ Return on turnover more than zero in one of the last three completed financial exercises;
 - ✓ The investments must have a value of a minimum 3 million euros, equivalent in RON;
 - ✓ Positive equity in the last financial year ended;
 - ✓ Subscribed share capital paid in the amount of at least 100,000 RON;
 - ✓ 10% of the investment costs should be "green" investments.

For further questions regarding the aspects mentioned in this alert, please contact us.



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