

# **THEMATIC COMPILATION OF RELEVANT INFORMATION SUBMITTED BY ROMANIA**

## **ARTICLE 12 UNCAC**

### **PRIVATE SECTOR AND PUBLIC-PRIVATE PARTNERSHIPS**

#### **ROMANIA (SECOND MEETING)**

The private sector first appeared as a distinct domain for action against corruption in the PNPC 2001-2004. The strategy spoke of the creation of a competitive private sector as a prerequisite for avoiding state capture. Thus, the Programme put forward four objectives: reforming the commercial legislation, revising the regime of state-owned companies, promoting economic competitiveness, cooperating with employers' associations. It is during this time that the Act on Certain Measures to Ensure Transparency in the Exercise of Public Dignity, of Public Office and in the Business Environment (2003), which provided for a series of amendments to the existing legislation on Trade Register for ensuring transparency and stability in the private sector. It is also during this time that the Act on preventing and sanctioning money-laundering had been passed (2002).

Following the recommendations formulated in the Assessment Report of the Strategy for 2001-2004, where were still highlighted legislative ambiguities and inconsistencies affecting the business environment, the SNA 2005-2007 introduced the prevention of corruption in the private sector among the ten strategic objectives. Thus, several amendments to the legislation on bankruptcy, tax evasion and money laundering were made. The new regulations repealed the provisions concerning the granting of incentives or reliefs from the public debt (2005) and introduced simplified insolvency procedures (2006). A new law on preventing and combating tax evasion was adopted (2005); this Act re-affirmed the criminal liability for such practices, which had been introduced in 2003, when the Tax Procedure Code was amended. In what may concern preventing and combating money-laundering, the legislation regarding trading companies was amended according to the new regulations.

In the SNA 2008-2010, fighting corruption in the private sector was not directly addressed, but the Government's Programme for 2009-2012 took over this aspect. More specifically, the first direction for actions mentioned in the Programme with respect to the private sector was "to simplify and amend the legal and administrative framework, to diminish bureaucracy and corruption, administrative and fiscal burden and overtaxing; [the Government] aims at reducing the number of administrative procedures, the time for obtaining authorizations, approvals, licenses and permits, as well as the costs of these procedures, and implicitly limiting corruption". It is in this context that a Strategy for Improving and Developing the Business Environment (DMA) 2010-2014 was adopted. Among the four specific objectives set forth in the Strategy there was that of increasing decision-making and policy transparency by stimulating and promoting corporate

responsibility and integrity. In this regard, the Government first aims at regulating lobby in Romania by creating a Register of Interest Representatives. It also aims at defining the communication relationship between lobbyists and representatives of public authorities, reporting activities and taxation, conflicts of interest and incompatibilities, accountability and sanctions. Second, it intends to amend the legislation on public contracting (by accelerating the process of evaluation of offers and avoiding blocking the acquisition) and to introduce mechanisms of whitelisting bidders that adopted business ethics and integrity principles. Third, the Government will endeavor to reduce the number of contributions and taxes, to simplify the fiscal and payment procedures, while eliminating all exceptions and privileged treatments, and strengthening discipline in contract fulfillment and in the payment of liabilities. The periodical evaluation of administrative barriers to business is also provisioned for the 2010-2014 period.