

No.20/1127

Date 19.01.2017

MINISTRY OF PUBLIC FINANCE

Approved,
Sorin Mihai Grindeanu
Prime Minister

MEMORANDUM

From:	VIOREL ȘTEFAN S.s. illegible Stamp Ministry of Public Finances
Subject:	Empowerment of the state representatives in the General Meeting of Shareholders/the Board of administration, as the case may be case, to the national enterprises, majority or entirely state owned companies, as well as régies autonomes, in view of taking the measures required for the distribution of a minimum quota of 90% of the net profit achieved for the year 2016 as dividends/payments to the state budget.

Art.1 par.(1) f) of the Government Ordinance no.64/2001 regarding the distribution of profit to the national enterprises, national companies and majority or entirely state owned companies, as well as régies autonomes regulates the distribution of a quota of "minimum 50% payments to the state or local state, in case of régies autonomes, or dividends, in case of national enterprises, national companies and majority or entirely state owned companies".

As per the legislation in force, the distribution of net profit is being approved by the General Meeting of Shareholders, in case of enterprises and by the Board of Administration, in case of régies autonomes.

Considering the need to attract revenues to the State budget in view of meeting the fiscal deficit target of maximum 3% for the year 2017, it is necessary that the national enterprises, majority or entirely state owned companies and the régies autonomes distribute and transfer dividends/payments to the State budget in a quota higher than the one provided by EGO 64/2001/

In this respect, we hereby propose:

- a) The empowerment of the State Representatives in the General Meeting of Shareholders/Board of Administration, as the case may be, in order to decide over the distribution of a quota of minimum 90% of the achieved net profit of the year 2016 as dividends/payments to the State budget, on the approval of the Financial Statements of the respective year.
- b) The provisions of letter a) are not applicable to the national enterprises, national companies and majority or entirely state owned companies, as well as régies autonomes that, through laws, have regulated another manner of net profit distribution.
- c) In case the provisions of letter a) cannot be applied due to certain duly justified aspects, the Government may approve, by Memorandum, the empowerment of the State representatives in the General Meeting of shareholders/Board of Administration, as the case may be, in order to decide over the distribution of other quota out of the net profit, nevertheless by observing the provisions of the EGO no.64/2001¹.

¹ regarding the distribution of profit to the national enterprises, national companies and majority or entirely state owned companies, as well as régies autonomes, approved by Law no.414/2004, subsequent amendments and completions

