



## FORMAL OPINION

### on the notification of the State aid scheme for the insurance of short-term export credits for temporary non-marketable risks

#### By analyzing

The draft of Norm on the short-term insurance, in the name and on the account of the State, of the external default risk, non-marketable risks and temporary non-marketable risks, updated by including the provisions from the insurance scheme,

The Standard notification Form on the State aid scheme for the insurance of short-term export credits for temporary non-marketable risks,

Submitted by EximBank SA by the address no. 100115/21.05.2014, registered at the Competition Council with no. 5441/21.05.2014, in order to receive a formal opinion,

and

The Decision no. 208/2013 of the Inter-ministerial Committee for Financing, Guarantees and Insurances (hereby named C.I.F.G.A.) for the approval of the Norm on the short-term insurance, in the name and on the account of the State, of the external default risk, non-marketable risks and temporary non-marketable risks, published in the Official Monitor of Romania no. 21/2014,

Communication from the Commission to the Member States on the application of Article 107 and 108 of the Treaty on the Functioning of the European Union to short-term export-credit insurance, published in the Official Journal of the European Union C392/19.12.2012

and ascertaining that:

**1.** The scheme is set-up in accordance with the provisions of art. 18 letter b) and c) of the *Communication from the Commission to the Member States on the application of Article 107 and 108 of the Treaty on the Functioning of the European Union to short-term export-credit insurance, published in the Official Journal of the European Union C392/19.12.2012*;

**2.** The *Scheme on the insurance of short-term export credits for temporary non-marketable risks* (situations provisioned at art. 18 b), c)) represents an extension of the scheme in force that was regulated by the *Norm on the short-term insurance, in the name and on the account of the State, of the external default risk, non-marketable risks and temporary non-marketable risks* approved by the Decision C.I.F.G.A. no. 208/2013, published in the Official Monitor of Romania no. 21/2014;

3. The objective of the scheme is assumption, by EximBank, of the risks associated to the export credits made by EU and OECD member states, if there is a lack of insurances on the private market for the following situations:

- Deliveries made by SMEs with a annual turnover from exports smaller than 2 million EUR, with due date up to 2 years;
- Deliveries to a sole debtor or contracts signed with only one debtor, with due date longer than 181 days and shorter than 2 years.

4. The support scheme is under the assessment of the European Commission since 28.01.2014, date when the Romanian authorities have pre-notified the scheme in SANI. The Commission has registered the pre-notification with the number PN 38347/2014. After going through some preliminary stages consisting in information exchanges, the European Union, by the letter no. 3709/07.05.2014, has invited the Romanian authorities to notify the support Scheme;

5. The proposed scheme will be valid until 31 December 2015 and the estimated budget, formed from the fund provisioned for at art.10 letter b) of the Law no.96/2000 regarding the set-up and functioning of the Export-Import Bank of Romania EximBank - S.A., republished, is of 35.648 million RON;

6. The estimated number of beneficiaries to receive funding within the scheme is 50;

7. The Notification is completed in accordance with the standard forms enclosed in Annex I to the Commission Regulation (EC) No 794/2004 implementing Council Regulation (EC) No 659/1999 laying down detailed rules for the application of Article 93 of the EC Treaty, with the subsequent amendments and completions.

## **COMPETITION COUNCIL**

Based on the Competition Law no. 21/1996, republished, and on art. 8 recital (1) of the Government Emergency Ordinance no. 117/2006 on the national procedures in the State aid field, approved with modifications and completions by the Law no. 137/2007,

## **ISSUES FORMAL OPINION**

On the notification Form on the State aid scheme for the insurance of short-term export credits for temporary non-marketable risks, enclosed in the draft of Norm on the short-term insurance, in the name and on the account of the State, of the external default risk, non-marketable risks and temporary non-marketable risks, updated by including the provisions from the insurance scheme.