

Amendments to the Romanian construction law
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This summer, Law no. 50/ 1991 ("**Law 50**") on the authorisation of the execution of construction works was amended in two essential aspects by Laws no. 176/ 2022 and 262/ 2022. These amendments are briefly described below.

Extension of the building permit duration

According to Law 50, building permits provide for (i) a period of validity (*perioada de valabilitate*), within which construction works must be commenced, and (ii) a period of execution (*durata de executie a lucrarilor*), within which construction works must be completed. The commencement of the construction works must be notified both to the competent authority who issued the building permit (usually the local mayor's office) and to the State Construction Inspectorate (*Inspectoratul de Stat în Construcții*). From the day of the above-mentioned notification, the period of validity of the building permit is extended during the entire execution period.

For the case the construction works cannot be started within the validity period of the building permit or cannot be completed within the execution period, art. 7 par. (7) of Law 50 provided in its previous version that the investor had the right to apply for extension no later than 15 working days prior to the expiry of the building permit. This extension could only be granted once for a maximum period of 12 months and was subject to a fee according to the Fiscal Code, as the investor had to pay, upon extension, 30% of the original fee for issuing the building permit.

Law no. 176/ 2022 amended this provision to the effect that the extension of the building permit must be applied for at least 45 working days before its expiry. The extension may still only be granted once, but for a period of 24 months. Furthermore, it is now granted free of charge, whereby the provisions of the Fiscal Code concerning the 30% fee to be paid for the extension have yet to be abolished.

The same law contains transitional provisions according to which (i) building permits already extended at the time of the law's entry into force may be extended once again (for a total of up to 24 months) and (ii) building permits expiring in less than 30 calendar days after the law's entry into force are extended by law for 90 calendar days.

For the avoidance of doubt, it should be emphasised that the extension of the duration of the building permit concerns both the period of validity and the period of execution, even if the legal wording is somewhat imprecise.

Building projects in the outer-city area without prior approval of an urban plan

Law no. 262/ 2022 amended art. 11¹ lit. g of Law 50 to the effect that certain construction projects may be carried out in the outer-city area (*extravilan*) without prior approval of an urban plan (*documentație de urbanism*).

This concerns (i) construction projects serving agricultural activities and/or related services: mineral or natural fertiliser warehouses, composting buildings, fodder silos, storage facilities, sheds, silos for the storage and preservation of seeds, including administrative rooms, platforms and storage rooms for the storage of primary agricultural products, animal shelters and farms, greenhouses, solar farms, market gardens, mushroom farms, specific installations for the production of electricity from renewable sources exclusively for the purpose of providing

energy for the own consumption of farms, premises for the processing/ marketing of plant and animal products, constructions with an agro-tourism objective for projects with financing from European funds, (ii) outbuildings of agricultural holdings (*anexe gospodărești ale exploatațiilor agricole*), and (iii) structures with a military purpose, railways, roads of special importance, high-voltage power lines, drilling and equipping of wells, works related to the extraction of crude oil and gas, gas or oil main pipelines, water management, sewerage and other water related works.

It should be emphasised that independent installations for the generation of electricity from renewable sources (solar energy, wind energy, energy from biomass etc.), the construction of which was recently permitted in outer-city areas provided that they do not exceed a maximum surface of 50 ha, were not exempted from the requirement of approval of an urban plan prior to obtaining the building permit.

Conclusion

The above-mentioned amendments to the law are positive for investors and thus welcomed, as they allow for a free of charge, longer extension of building permits/ execution of construction works on the one hand, and on the other hand make the time-consuming and cost-intensive step of approving an urban plan prior to the execution of certain construction projects in outer-city areas unnecessary.

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