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# INFOPOLITIC

## Romanian Politics

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### IMPORTANT DEVELOPMENTS

1. **POLITICS.** Prime Minister Victor Ponta discussed with the protesters at Rosia Montana.
2. **GOVERNMENT.** Prime Minister Victor Ponta visited the flood-affected areas.
3. **POLITICS.** The Roșia Montană project will enter Parliamentary debate.
4. **FINANCES.** The USL Government combats tax evasion.
5. **GOVERNMENT.** Prime Minister Victor Ponta asks the cabinet to transform emergency ordinances into draft bills
6. **AGRICULTURE.** The government supports the agricultural sector.



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## PRIME MINISTER VICTOR PONTA DISCUSSED WITH THE ROSIA MONTANA PROTESTERS

Prime Minister Victor Ponta arrived Sunday evening at Roșia Montană, to discuss with the miners who trapped themselves since Wednesday in the Cătălina-Monulești gallery. **The Prime Minister managed to persuade the protesters to leave the mine.**

The miners in Roșia Montană who trapped themselves in the underground for five, or three days, came out after about an hour since PM Victor Ponta descended to them, the PM telling them that he will ensure their hearing before a special Parliamentary Committee. The prime minister left the mine together with the miners protesting there since Wednesday, or since Friday respectively.

**"I promised to have a Committee and we will bring this Committee here and it will decide," said Prime Minister Victor Ponta, leaving the gallery.** At the same time, the Prime Minister said that **no one can prejudge the situation of the miners in Roșia Montană, because "they do not know what kind of life these people have."** "I promised we'll create a Committee and we will bring all in the Committee here to talk to them. And see here, to decide whether or not to support the project, but no one can, when they don't know what kind of life these people have, to say "No". We must bring them here, I promised and I will keep my word [...] I promised to come back here with the special Parliamentary Committee and every MP will listen to them. Let's think that these people have also the right to life," said Victor Ponta at the exit of the mine in Roșia Montană.



## PRIME MINISTER VICTOR PONTA VISITED THE FLOOD-AFFECTED AREAS

Prime Minister Victor Ponta was in Galați county, where he assessed the situation after the recent floods. **Victor Ponta said that repairing the schools affected by the floods in Galati county is a priority**, so that pupils can start school as soon as possible.

"Hopefully, if it is not going to rain so much, we will begin rebuilding. **Next week, we will provide the money for repairing the houses, foremost the schools**, because Monday school was supposed to start and there are two or three schools severely affected, then people's yards, homes and, a little later, driveways," said Victor Ponta.

**The Prime Minister said that the assessment of damages process is still ongoing and when it will be completed they will determine the amount needed for repairs.** The chief of the Executive said that another priority of the authorities is to avoid further loss of lives.

**"The first concern was to stop the loss of human lives;** I have given a very clear order that, to the extent that there is another danger, to proceed to evacuate the homes in the area. I said that it is better to upset the people if we evacuate them tonight and accommodate them in the gym, instead of leaving them there," said the PM.

Regarding on how the authorities acted, the Prime Minister said he had not received any grievances from citizens, **but if it will be proven that there was any failure, those responsible will be sanctioned.** "All the people in the area said they were pleased with the prompt intervention of the authorities. From Monday onwards, after we give the help needed at this time, we will do an analysis to see if we could



have warn them earlier. If anyone is to blame, if there was a malfunction of the procedures, I will not hesitate to take action," said the Prime Minister.

**From the first night after the floods, more than 800 workers were there, of which 500 from the Ministry of the Interior.** Also there were two helicopters and two others which were ready to intervene if needed. **Prime Minister Victor Ponta convened an emergency command at the Government in the morning of the floods** and held a videoconference with the authorities in the affected areas.

## **THE ROȘIA MONTANĂ PROJECT BILL WILL ENTER PARLIAMENTARY DEBATE**

**Prime Minister Victor Ponta announced that the Roșia Montană project will enter into a Parliamentary Committee,** thus ensuring good informing of MPs and a serious debate, necessary to the decision towards a bill.

"Rosia Montana will enter into a Parliamentary Committee. Thus all data will be made available to the MPs. In this way **there is dialogue and debate, which is absolutely necessary,**" said Victor Ponta.

**The PM pointed out that for 15 years no Government has taken a decision regarding mining projects, nor has it sent such a project to the Parliament, in order to be discussed seriously and responsibly.** Also, the leader of the Government stressed that the Romanians deserve to be informed about all aspects of this project, this being a sign of normality.

"If for 15 years no one had the courage to send it, I have. All people have found out what this project means. This should have been made by every Prime Minister since 1999. I have undertaken it," said Victor Ponta. Also, during the recent meeting he had with leaders of the Parliamentary opposition, **the Prime Minister said that they agree with**



**the Rosia Montana mining project, but do not want the bill to be debated in Parliament.**

"We found out that PDL wants to do the project but they do not want to debate it in Parliament," added the Prime Minister. According to the PM, following the debate in Parliament, an official, responsible, and informed decision will be taken, to clarify all the recent controversies regarding the Rosia Montana project. **The Government's intention was that by sending the project to be debated in Parliament in detail, a true dialogue on Rosia Montana, where both pros and cons will be presented, in the most democratic manner, will take place.** Such a debate would ensure a transparent decision on the matter.

**Legally, the project may start also only with the approval of the Government.** But being an important investment, which refers to resources and medium and long term effects, the political decision of the Parliament is needed; other significant investments had also a special law – the Petrom privatization is one of such cases.

## **THE GOVERNMENT COMBATS TAX EVASION**

**The report of the Tax Council regarding evasion in 2012 shows the necessity of the measures taken by the Ponta Government in the past months.** Tax evasion reached last year almost 14% of GDP (about 20bn euros), and most of it is generated from VAT, according to the annual report of the Tax Council. The USL Government is the first who consistently reacts to this reality, being committed to combat evasion.

The measures taken by the USL cabinet have proven their efficiency. **The creation of the Antifraud Department amounts to a tax administration reform undertaken by no**



**political actor in the past 20 years.** The Antifraud Department is politically and administratively independent and has responsibility and legal and direct collaboration with the Prosecutor's Office and Intelligence Services, which have responsibilities in combating tax evasion and smuggling. The Government has also reorganized ANAF according to efficiency, transparency, and flexibility principles. **8 regional directorates were established, to which were assigned the tax units in the country. Important retraining of personnel schemes were undertaken, the IT system was upgraded.**

**The reorganization and modernization of ANAF is done with the assistance of the World Bank,** which provides financial and technical support for revenue collection procedures, information technology and other technological infrastructure, as well as training. The Government has also reduced the VAT on bread, a measure which will help reducing tax evasion in the field, already attracted cheapening of bakery products and supports producers in the industry.

## **PRIME MINISTER VICTOR PONTA ASKS THE CABINET TO TRANSFORM EMERGENCY ORDINANCES INTO DRAFT BILLS**

Prime Minister Victor Ponta asked ministers, in the Government meeting, **that all emergency ordinances on the agenda to be converted into draft bills and, after approval, to be submitted to the Parliament for debates,** noting that he wants the Government's decisions to be debated the Legislature.

Several draft Emergency Ordinances, including one amending the Tax Code by introducing the flat tax, have been on the agenda of the Government meeting.



"We have asked that all these draft emergency ordinances to be converted in draft bills and to be sent to the Parliament. **I do not want to take anymore decisions through emergency ordinances and in the activity of the Government draft laws should prevail, not Emergency Ordinances,**" said Prime Minister Victor Ponta.

**The Flat tax, which replaces the 16% tax quota or the 3% on the turnover with a fixed rate, will apply from 1 January 2014, according to a government bill discussed in Government and which will be sent Parliament** to be adopted in emergency regime. Through this measure, the Government seeks broadening the tax base by taxing companies that do not declare income and which, according to the authorities, make tax evasion. The flat tax will be set as a fixed amount, depending on certain indicators for each domain.

## **THE GOVERNMENT SUPPORTS THE AGRICULTURAL SECTOR**

**Prime Minister Victor Ponta asked, in the opening session of the Government, the Minister of Agriculture and Rural Development, Daniel Constantin, to inform the public about the fact that 2.9 billion RON have been approved as and advance for direct payments to farmers, and also about the project to support young farmers.**

**"I also want to ask you to present clear and well that project to support young farmers through the National Rural Development Programme 2014-2020",** said Victor Ponta. The chief of the Government added that the results of the investigation opened by the Competition Council on the grain market have to be taken into account.

**"Please also keep in touch with the Competition Council to see if the outcome of the investigation can stop this phenomenon of falling prices, when there is an important**



production," said Victor Ponta. **The Minister of Agriculture, Daniel Constantin, declared that about 300 million euros will enter in the coming days in the accounts of farmers,** representing amounts paid in advance to direct payments.