



THE COUNTRY

Moldova Will Not Have a New President Before Late September

'One Vote Counts'

The Moldovan democratic system has confirmed recently that one vote counts. One more vote was necessary to elect Prime Minister Zinaida Greceanii to the Presidency, but the three opposition parties refused to provide any support. Two attempts to elect our country's President have now been exhausted. This means that the acting President Vladimir Voronin shall dissolve the Parliament and shall set a date for new parliamentary elections, expected sometime late in the summer. This also means that Moldova will not have a new Cabinet and a new President before late September. Nevertheless, a 'temporary' Cabinet has been appointed to manage the country's affairs in between elections. The composition of this 'temporary' Cabinet is little different from the previous Cabinet that operated during the past years.

LEGAL NEWS

Constitutional Court Upheld Ban on Dual Nationality Candidates to Hold Public Office

In one of our earlier issues we wrote about the European Court of Human Rights (ECHR) judgment whereby it resolved that the ban on persons with dual or multiple nationality becoming members of our Parliament (MPs) contravenes the European Convention for the Protection of Human Rights and Fundamental Freedoms. The Government took action to challenge this judgment with the Grand Chamber. Resolution of this proceeding is still pending.

Since the Parliament did not react to such judgment by lifting the ban, the laws imposing it were challenged with the Constitutional Court. The Constitutional Court held recently that the Parliament did in fact have the right to institute the ban, and it is therefore constitutional.

The Grand Chamber of the ECHR has not yet finally ruled on the matter.

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New Road Traffic Regulations Adopted

The Government adopted new Road Traffic Regulations which replace the old 1999 similar regulations. While they maintain the basic regulations enacted in 1999, they introduce important novelties:

- * the speed limit within Moldovan cities, towns and villages has been lowered from 60 km/hr to 50 km/hr. We note however that the new Contraventions Code punishes drivers for speeding only when the excess is by 10 km/hr or more;
 - * drivers are now formally prohibited from speaking on mobile phones while driving, except with the use of hands-free devices;
 - * between 1 November – 31 March cars shall now circulate with low beams on.
- The new rules will enter into force on 15 July 2009.

In the context of this road traffic improvement effort, the new Contraventions Code sets out pecuniary and other sanctions for various breaches of road traffic rules. Most sanctions are also accompanied by the accrual of penalty points. The accrual of 15 penalty points within a continuing period of 6 months leads to withdrawal of drivers' license for a duration from 6 months to one year.

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New ANRE Regulation to implement the Law on Renewable Energy(2007)

The National Agency for Regulation in Energy (the “ANRE”) has recently adopted the Regulation on Guarantees of Origin for Renewable Energy (the “Regulation”), effective as of 5 June 2009. The Regulation creates the legal framework for the implementation of the Law on Renewable Energy (2007) and establishes the procedures and conditions for issuance and use of the “guarantee of origin” (GO). GO is a document indicating the producer and the renewable energy source used to generate the electricity. The GO will be issued to the producer by the grid operator, on a monthly basis, after performing an expertise verification to confirm the quantity of electricity generated from a renewable source of energy, in the previous month. The GO will be issued to confirm the quantity of renewable energy produced both at power plants using only renewable energy sources, and at hybrid power plants, which also use fossil fuel. The GO will be issued only in case if the capacity power of the producer’s installation is of at least 10 kW. Under the Law on Renewable Energy (2007), the producers will be able to sell the electricity as renewable energy only on the basis of the GO. The local suppliers of electricity will purchase from the authorized producers certain amounts of electricity, in accordance with the quotas established by ANRE (which will depend on the market share of the respective local suppliers), at tariffs regulated by ANRE. In its recent press release, ANRE has expressed hope that approval of this Regulation will stimulate new investments into the Moldovan energy sector.

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State Register of Nonprofit Organizations

In May the Governmental Resolution No. 345 on institution of the State Register of Nonprofit Organizations (the “Register”) was published. The Register shall contain general information on nonprofit organizations, such as: state identification number, complete name, date of registration, name of founders, registered office, form of organization, name and surname of manager, supreme, executive and supervisory bodies, goals and domain of activity. The Register shall be held by the Ministry of Justice of the Republic of Moldova, in two forms: manually and electronically. The electronic form will also keep the copy of the Charter of the nonprofit organization and the reports on its activity. Among others, from now onwards the nonprofit organizations will be obligated to obtain a state identification number (IDNO), same as the for-profit entities. The state identification number will be attributed by the Ministry of Informational Development. The Certificate of State Registration will now be issued strictly after the state identification number is attributed. The nonprofit organizations registered before the adoption of the above mentioned Governmental Resolution shall also obtain a state identification number. However, the state identification number for registered nonprofit organizations may not be obtained yet, as the procedure for this process has not been established yet.

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Smoke Detectors Mandatory in New Residential Real Estate

The Ministry of Construction and Territorial Development has amended the Soviet-time Construction Norms and Rules (SNIP, 1989) and ordered the installation of smoke detectors in new residential real estate that is finalized after 1 March 2009. Smoke detectors should be mandatorily installed in all premises of apartments and student dormitories, except for bath, laundry or sauna rooms.

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Signatories on Bank Accounts No Longer Need to Visit Notaries

On 22 June 2009 will enter into force the amendments to the Regulation on opening, modification, and closing of bank accounts in the authorized banks of the Republic of Moldova, approved by the Resolution of the National Bank of Moldova No. 297 dated 25 November 2004 (the "Regulation"). The new wording of the Regulation simplifies the procedure of opening bank accounts by legal entities. Thus, the resident and non-resident legal entities which are interested to open bank accounts in Moldovan authorized banks no longer need to obtain and submit with the bank the notarized card attesting signature specimen of representative(s) empowered to sign bank documents on behalf of the legal entity-account holder and sample of the seal of legal entity-account holder. As of the date of effectiveness of the above mentioned amendments, such card attesting signature specimen and sample of the seal may be executed before an officer of the bank, thus saving time and money often associated with notarization formalities.

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