

USAID Business Enabling Project expressed its serious concern about the Draft law on energy, as proposed by the relevant ministry. USAID Business Enabling Project states that the adoption of the law, in a text submitted by the Ministry of Mines and Energy, would largely annulled the positive progress made by adopting amendments to the Law on Planning and Construction, which have just come into force.

In a comment on the announcement that the Draft Law on Energy should appear these days in front to the National Assembly deputies, USAID Business Enabling Project assessed that the number of procedures would increase, as well as the number of days required for obtaining a use permit, and legal security of investors would be compromised.

The Draft Law on Energy insists on the approval act for connection to the network that the Law on Planning and Construction does not provide.

This act is adopted in the administrative procedure, which, as assessed, is particularly retrograde solution keeping in mind that it is a contractual relationship between a company (the power company) and investors.

“We emphasize the ultimate irrelevance of terms: making a decision on approval for connection by the power company within 30 days, and connection within a further 15 days after fulfillment of all conditions, including that the investor should submit a supply contract to the operator “, states in the announcement of USAID.

From the legal certainty standpoint and irrational from the efficiency standpoint it is particularly harmful that the investor learn the terms and costs of connecting to the network only upon the issuance of a building permit.

Parameters such as the connection point to the system, method and technical requirements of connection, granted power, place and method of energy measurement and the deadline for connection, must be known to the investor in advance.

“The approach like this does not lead to the legal security improvement and expediting procedures for exercising the right on building”, USAID concluded in a statement.