

# **Legal Newsletter April 2024**

# <u>Developments in the prevention and combating of gender-based harassment and bullying in the workplace</u>

The workplace harassment methodology was adopted last October, and employers have been given six months to implement the rules internally, meaning that from 17 April 2024 will have to demonstrate to labour inspectors how they are applying the methodology, who the designated responsible persons are and that they are actively participating in the prevention of harassment in the workplace.

### Key points:

- The methodology on preventing and combating harassment in the workplace is mandatory for all employers, regardless of the number of employees, in both the public and private sectors.
- Harassment means any conduct towards an employee by another employee who is his or her immediate supervisor, by a subordinate and/or by a hierarchically comparable employee, in connection with the employment relationship, which has the purpose or effect of adversely affecting working conditions by violating the employee's rights or dignity, impairing the employee's physical or mental health or jeopardizing the employee's future employment, manifested in the form of hostile or unwanted conduct, verbal comments, actions or gestures.
- Stress and physical exhaustion fall under the definition of workplace bullying.
- Employer prerogatives that do constitute harassment: direct supervision of employees, taking action to correct performance deficiencies, taking reasonable disciplinary action, assigning work duties, requesting updates and reports, approving, or denying requests for time off.
- The law does not state that for harassment, bullying or discrimination at work to have occurred there must have been repeated or systematic acts thereof, with it instead being necessary to judge each situation in light of the concrete manner in which the conduct in question occurred and taking account of the consequences.

Source: 2023 Methodology for Prevention and Combating of Gender-based Harassment and Moral Harassment in the Workplace

### **Contract Mechanism for Difference**

The Government of Romania has, through Government Decision no. 318/2024, adopted the Contracts for Difference ("CfD") mechanism, which grants operating aid for the operation of low-carbon electricity generation capacities.

### Main ideas

- Technologies eligible for the CfD scheme are those using onshore wind resources, offshore wind resources, solar photovoltaic resources, hydro resources, nuclear resources, hydrogen and energy storage.
- This type of aid is granted under state aid schemes or under ad hoc state aid (for electricity generation projects for which a competitive selection process cannot be applied due to the specific nature of the technology)
- Any CfD scheme or ad-hoc CfD state aid and any related CfD contract is subject to authorisation and a state aid clearance decision by the European Commission.

#### Parties:

- The CfD auction process will be managed by Transelectrica as operator of the CfD scheme.
- The Romanian electricity and gas market operator (OPCOM) will act as the CfD counterparty.
- The legal entity registered for tax purposes in Romania, which has concluded a CfD contract with the CfD counterparty, is a CfD beneficiary.
- The National Energy Regulatory Authority (ANRE) will be responsible for issuing the relevant secondary legislation in this area.



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- The Ministry of Energy will have overall responsibility for the regulatory framework, as well as the obligation to ensure that the CfD liquidity fund has sufficient funds at all times to enable the CfD counterparty to meet its payment obligations to the CfD beneficiary in full.

## Operating mechanism:

- Operating aid is awarded in the form of difference payments for energy produced, measured and delivered via the National Electricity System (NES), which is the subject of the CfD contract, as follows:
- by the CfD Counterparty (OPCOM) to the CfD beneficiary, where the reference price is lower than the auctioned strike price.
- by the beneficiary to the CfD Counterparty, where the reference price is higher than the strike price.

#### Price:

- In the case of a CfD scheme, the strike price for a CfD contract is determined by a CfD auction;
   while in the case of ad hoc CfD state aid, the strike price for an ad hoc CfD contract is determined by negotiation.
- The exercise price for a CfD contract awarded through a CfD auction may not exceed the maximum exercise price specified in the order initiating a CfD auction.
- However, the CfD beneficiary will not receive payment for the CfD difference for the quantity of electricity delivered to the NES in all periods in which the price per settlement interval in the relevant wholesale market, or, as the case may be, the average price in the relevant wholesale markets used to determine the reference price corresponding to the delivered output, is negative.

### The CfD beneficiary has, among others, the following obligations:

- to demonstrate to the CfD scheme operator, by means of supporting documentation, that the capacity proposed for the project consists of completely new electricity generation capacity.
- to report, on a quarterly basis, to the CfD counterparty, the status of the planning, permitting, licensing, construction and commissioning of the project and other information that must be reported to the CfD counterparty under the CfD contract and to provide any additional information requested by the Ministry of Energy and the CfD counterparty.
- to pay annually to the CfD counterparty the amount corresponding to the surplus profit obtained from the bilateral contracts established by the ANRE decision in the cases provided for by Government Decision no. 318/2024.

Note: the first State aid scheme in the form of contracts for difference applies to onshore wind and photovoltaic solar renewable electricity generation, with CfD tenders taking place from 10 April 2025 (the date on which Government Decision no. 318/2024 entered into force) and in 2025 on the basis of a CfD scheme.

Source: Decision no. 318/2024 approving the general framework for the implementation and operation of the support mechanism for low carbon technologies through contracts for difference

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#### **TPA Romania**

Crystal Tower Building, 48 Iancu de Hunedoara Blvd., 2nd floor, Sector 1, 011745 Bucharest Romania Tel: +40 21 310 06-69

Fax: +40 21 310 06-68 www.tpa-group.rowww.tpa-group.com

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Dan Iliescu

Legal Services Partner

email: dan.iliescu@tpa-group.ro

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