

## No More PUZ for Developing Renewables



**Very good start of the year for the renewable energy sector. The much-awaited legislative intervention was passed: PUZ is no longer required for developing renewable energy projects.**

When Land Law no. 18/1991 was changed last summer to allow the development of renewable energy projects on extra muros lands (to the extent such lands do not exceed 50 ha per investment project and have III, IV or V fertility class), the entire industry expected that the zonal urban plan (PUZ) would no longer be required for such projects. PUZ is one of the most time-consuming stages of the permitting process. However, despite the non-unified practice of the local authorities, the general interpretation was that PUZ was still mandatory.

Such interpretation was based on the fact that, although not expressly required by the Land Law, PUZ continued to be a requirement for the issuance of the building permit according to the general construction and urbanism legislation.

However, further to a new law that was just promulgated by the Romanian President (yet to be published with the Official Gazette), the Constructions Law no. 50/1991 was amended in the sense that no urbanism documentations are necessary for renewable projects fulfilling the above limitations related to land size and fertility class. Therefore, for such projects, the only permitting requirements are, essentially: (i) obtaining the decision for removal of the land from agricultural circuit (from the competent local agricultural department, based on the prior endorsement of the Ministry of Agriculture and Rural Development) and (ii) the building permit.

This amendment is a huge breakthrough, as it may reduce the duration of the development process with up to 9 months.

Unfortunately, through such intervention, the legislator did not amend also other provisions of the Constructions Law no. 51/1990 and Urbanism Law no. 350/2001 which impose the amendment of the existing urbanism documentation whenever the envisaged project does not comply with the specifications thereof. We can only hope that this will not trigger contradictory interpretations in practice and that it will be remedied shortly by the legislator. Also, the approach of the local authorities as regards the urbanism certificates that were already issued (and whereby PUZ was requested for the building permit) is yet to be seen.

It remains unsolved the permitting of renewables projects on lands exceeding 50 ha or having fertility class I and II. For these projects, PUZ continues to be mandatory (both for requalifying the land as intra muros and for

establishing compatible urbanism parameters/function) and the process is still blocked at the level of the Ministry of Agriculture and Rural Development, which refuses to issue its mandatory PUZ endorsement.

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