

LOAN FOR INVESTMENTS

Eligibility criteria

Local governments must meet the following conditions:

- They have or they will open current account at a territorial unit of the Bank from the county/municipality whose area there is the local government;
- Contracting or guaranteeing the loan is achieved according to the law, respectively with the opinion of the Committee of the Local Borrowing Authorization only;
- The financial statements and any other specific documents regarding the activity performed are elaborated and submitted according to the law;
- They are not, at the time of application, in insolvency, for the purposes of GEO no. 46/2013 regarding the financial crisis and insolvency of the administrative-territorial units, with subsequent amendments;
- The indebtedness degree, at the time of loan application, falling under the maximum limit, according to the legal provisions in force;
- They fall under the risk ceiling determined by the Bank (the maximum potential exposure level of the Bank against one debtor);
- The degree of the own revenue achievement is at least 75%, according to the Execution Account of the local budget at the end of the last financial exercise;
- The investment projects are found in the investments program (annex to the budget of the administrative territorial unit) and technical economic documentation were elaborated and approved according to the legislation in force;
- They are not, at the time of loan application, in dispute with CEC BANK S.A., other bank or institution of the state, for unfulfilling some contractual obligations or otherwise, previous this application;
- There are not established garnishments on the accounts of the local governments;
- They meet the general conditions of crediting, they have satisfactory financial results and a good history of their payment behavior in the relationship with the State, business partners and loan institutions in accordance with the internal regulations of CEC Bank;
- There was issued the Decision of the Local Council regarding the contracting of the loan facility and constitution of the guarantees.