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Expropriation for Reasons of Public Utility in Romanian Law

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ABSTRACT: The Romanian law allows the authorities to intervene and expropriate certain privately owned immovable assets in order to transfer them into the public property, for the performance of local, county or national investment works meant to serve public utility purposes and foster social growth. The forced transfer of certain privately owned immovable assets into the public property is subject to the observance of the expropriation lawfulness terms, the determination of the public utility cause and the establishment of the individuals' compensation for the expropriated asset, as stipulated in the Constitution of Romania, the Civil Code and other regulations adopted in this respect, as well as in the Protocol 1 of the European Convention on Human Rights.

KEYWORDS: property right, public property, public property right, expropriation, public utility, compensation

Introductory notions and ways to acquire public property

Though the private property right predominates in Romanian economy after the Revolution of December 1989, the public property right also plays an important role "in fostering economic growth", because it pertains to legal subjects that organize their social lives in Romania and, in principle, they bear upon assets of interest for the society, at all its three levels: state, county or local (Bîrsan 2020, 204-205).

According to the provisions in art. 863 of the Civil Code (Law no. 287/2009 on the Civil Code, published in the Official Gazette of Romania, Part I, no. 511 of July 24, 2009), the private property right can be acquired in several ways: by public procurement, carried out according to the law; *by expropriation for causes of public utility,* according to the law (our emphasis); by donation or will, accepted according to the law, if the asset becomes of public interest or use, through its very nature or through the will of the party disposing of the same; by onerous covenant, if the asset becomes of public interest or use, through its very nature or through the will of the party disposing of the same; by the transfer of an asset from the private state domain or the private domain of an administrative-territorial unit into the public domain thereof, according to the law; by other means regulated under the law.

In our opinion, out of the manners mentioned above, *the expropriation for reasons of public utility,* which actually is the subject of this paper, is the most important way in which public property is acquired because it consists of *depriving a person from their property*, even if both the Constitution of Romania (the Constitution was adopted during the meeting of the Constituent Assembly of November 21, 1991, it was published in the Official Gazette of Romania, Part I, no. 233 of November 21, 1991, and it came into force following its approval through the national referendum of December 8, 1991. It was reviewed and republished in the Official Gazette of Romania, Part I, no. 767 of October 31, 2003), and the Civil Code or other regulations approved in the field stipulate that the owner is to be compensated by "rightful and prior indemnification". In this regard, art. 44(3) of the Constitution of Romania stipulates that "no one can be expropriated other than for reasons of public utility, stipulated according to the law, and subject to a rightful and prior indemnification", and art. 44(6) stipulates that the compensation is established "in joint agreement with the owner or, in the case of disputes, by law".

Similar provisions are laid down in art. 562(3) of the Civil Code, according to which "The expropriation can only be carried out for reasons of public utility established according to the law and subject to the rightful and prior indemnification, mutually agreed upon between the owner and the expropriator. In the case of disputes as to the amount of the indemnification, it shall be set by the courts of law."

The aforementioned provisions are also resumed in the Law no. 33/1994 on the expropriation for reasons of public utility (republished in the Official Gazette of Romania, Part I no. 472 of July 5, 2011), which, in art. 1, stipulates that "The expropriation of immovable assets, either in full or in part, is only possible for causes of public utility, subject to the rightful and prior indemnification, by a court order" (for a brief presentation of the history of the expropriation regulations, see Giurgiu 1995, 17-19).

Internationally, art. 1 of the First additional protocol to the Convention for the Protection of Human Rights and Fundamental Freedoms, concluded in Paris on March 20, 1952 (published in the Official Gazette of Romania, Part I no. 135 of May 31, 1994), stipulates that "no one can be deprived of their property other than for reasons of public utility, according to the provisions under the law and to the general international law principles". According to these general principles, the Romanian courts have decided that "any dispossession involves an obligation to indemnify the holder of the property title, and that the principle of proportionality needs to be considered when setting this indemnification, respectively the need to perform the equitable balance test" (Suceava Court of Appeals, Decision no. 1032 of December 22, 2015, available on the website https://www.jurisprudenta.com/jurisprudenta/speta-ble18fy/).

In other words, regarding the aforementioned legal texts, we highlight the fact that any expropriation is *only possible subject to the indemnification* of the holder of the ownership title, which *must cover the entire loss incurred by the parties affected by the expropriation measure*" (for further developments regarding the expropriation, see Stoica 2004, 28-76).

Definition and subject of the expropriation

Ab intio we mention that expropriation should not be mistaken to the requisition of assets, which is regulated by Law no. 132/1997 on the requisition of assets and the provision public interest services (republished in the Official Gazette of Romania, Part I no. 261 of April 10, 2014) and which can be viewed as a *limitation of the enforcement of the property right*. According to art. 1 of the aforementioned regulation, the requisition of assets and the provision of services is the exceptional measure through which the bodies authorized under the law bind the economic operators, the public institutions, as well as other legal and natural persons to temporarily assign movable or immovable assets in their property, according to the law. The owners of the requisitioned movable or immovable assets are entitled to indemnification, and consumable and perishable assets can be permanently requisitioned, of course, subject to the payment of the indemnification stipulated under the law.

In the specialized literature, expropriation is defined as *"an act of public power through which the forced private property over the immovable assets required for the performance of public utility works is acquired, in exchange for an indemnification"* (Boroi, Anghelescu and Nazat 2013, 46) or *"a legal operation the complex structure whereof includes limited private and public law legal acts (material acts), an operation that has as main effects the forced transfer of an immovable asset from the private property into the public property, for the performance of public utility works, as well as the payment of an indemnification"* (Stoica 2017, 172).

We agree to the opinions expressed in the doctrine, according to which *expropriation* is an *exception from the absolute and inviolable right of private property and it represents the most severe form of limitation of the private property* (Chelaru 2019, 99; Ungureanu and Munteanu 2008, 218; Ungureanu 2001, 59; Sabău Pop 2001, 57).

Regarding the notion of *"public utility",* it should be noted that, pursuant to the constant case law of the European Court of Human Rights, it is very broadly understood. According to

ECHR, the notion of *"public utility"* encompasses any *"legitimate social, economic or other policy"* (Decision of February 22, 1986, passed in the case *James et al versus Great Britain;* Decision of February 21, 1990. passed in the case *Hakansson and Sturesson versus Sweden, apud* Florescu, Rotaru et al. 2013, 170-171).

Regarding the subject of the expropriation, art. 2 of the Law no. 33/1994 on the expropriation for reasons of public utility, republished, stipulates that "immovable assets owned by natural or legal persons, whether for-profit or non-profit entities, as well as the ones privately owned by towns, cities, municipalities and counties can be expropriated". In other words, pursuant to the review of the aforementioned provisions, it follows that the following cannot be susceptible of expropriation: public property immovable assets, immovable assets privately owned by the state and, finally, immovable assets privately owned by towns, cuties, municipalities or counties, but only if their public utility is not of national interest (For further details, see Boroi, Anghelescu and Nazat 2013, 63-64).

The procedure of expropriation for reasons of public utility

Law no. 33/1994 on the expropriation for reasons of public utility, as republished, institutes an expropriation procedure that is carried out in three stages, distinctively stipulated in the aforementioned regulation, i.e.: *the declaration of the public utility*, *the preliminary expropriation measures* or the so-called administrative stage, and *the expropriation as such and the establishment of the indemnification*, i.e., the judiciary stage (Also see Baias and Dumitrache 1995, 21; Nicolae 2014, 552-564).

In a case where the works were commenced without the initiation of the procedure stipulated under the law, i.e. without the transfer of the property title into the state patrimony, and in the absence of a just and prior indemnification of the owner of the expropriated immovable asset, which was irreversibly transformed, and "*the claimant has lost the right of disposal over the same as of its occupation by the National Roads Administration*", the European Court of Human Rights decided, with four votes in favor and three against, that the property right stipulated in art. 1 of the Protocol no. 1 to the European Convention, and that the situation is similar to that of a factual expropriation (ECHR, Decision of January 11, 2011, passed in the case *Vergu versus Romania*, available online at www.ier.ro).

1. Public utility declaration stage

According to art. 7(1) of the Law no. 33/1994, as republished, the public utility is declared by the Government for national interest works and by the county councils and the General Council of the Municipality of Bucharest for local interest works. For the local interest works carried out on the territory of several counties, the public utility is declared by a board made up of the chairmen of the respective county councils. In the case of a disagreement, the public utility in the case may be declared by the Government [art. 7(2) of the Law no. 33/1994].

Pursuant to the interpretation of art. 8, 9 and 10(1) of the Law no. 33/1994 it follows that in order to declare the administrative usefulness of the public utility of the works justifying the expropriation, three conditions must be met: *the performance of a prior investigation* by a specialized board, *the existence of the national or local interest* conferring a public utility character to the works and *the registration of the works in the town planning and land arrangement plans*, approved according to the law, for the town or area where the works are to be carried out. The result of the prior review, whether *negative* or *positive*, will be *recorded in a protocol* and it will be submitted to the public authority holding the competency to declare the public utility, which may be the Government or, as applicable, the General Council of the County of Bucharest.

If the competent public authority decides to declare the national interest public utility, according to art. 11(1) of the Law no. 33/1994, republished, the declaration act must be

publicized by display at the headquarters of the local council where the immovable asset is located and by publication in the Official Gazette of Romania, while the local interest public utility declaration act must be displayed at the headquarters of the local council in whose area the immovable asset is located and published in the local press. The law stipulates that the acts through which the public utility is declared in order to perform national defense and security works [art. 11(2) of the Law no. 33/1994].

Hence, as the High Court of Justice has shown, according to the laws adopted in the field of expropriation, both the declaration of the public utility of works, and the initiative of the expropriation of immovable assets *exclusively in the favor of the state*, through its authorities, and not in favor of the expropriated parties to whom, the same legal provision, guarantee the fact that the expropriation procedures are neither arbitrary, nor unpredictable (High Court of Cassation and Justice, 1st Civil Division, Civil Decision no. 6967 of November 14, 2012, available at www.csj.ro).

Regarding the public utility declaration act, it should be mentioned that it is an *administrative act* and it is subjected to the review of the Constitutional Court, or of the courts for administrative and contentious matters (Giurgiu 1995, 20).

2. Administrative stage (preliminary expropriation measures)

After the first stage, i.e. that of the declaration of the public utility, the expropriator carries out, pursuant to art. 12(1) of the Law no. 33/1994, as republished, the plans comprising the lands and constructions proposed for expropriation, with the indication of the owners' names, as well as of the indemnification offers. All these documents shall be submitted with the local council of the locality, town or municipality where the immovable assets subjected to the approval by expropriation are located, so as to be available for consultation by the interested parties (according to art. 12(2) of the Law no. 33/1994, *"The expropriator is the state, through the Government-appointed bodies, for the works of national interest and the counties, municipalities, cities and towns, for the works of local interest")*.

At the same time, according to art. 13 of the Law no. 33/1994, the proposals for the expropriation of the immovable assets and the protocol comprising the prior review result, drafted pursuant to art. 10(2) of the aforementioned regulation, shall be *notified* to natural or legal persons holding real rights. Regarding the expropriation proposals, both the owners, and the holders of other rights over the concerned assets are entitled to submit a *statement of defense* within 45 days as of the receipt of the notification (art. 14 of the Law no. 33/1994, as republished).

If no statement of defense is required, *the administrative expropriation stage ends* and the third stage, respectively the judiciary stage, can be initiated, during which the indemnification and the amount thereof will be set.

If a statement of defense is lodged, it must be submitted with the mayor's office in the territory where the immovable asset is located and it is solved by a *board* appointed pursuant to art. 15 of the Law no. 33/1994, as republished (according to para (2) of the aforementioned article, *"The board will be made up of 3 specialists in the field of activity in which the public utility work is carried out, 3 the immovable asset owners in the municipality, city or locality where the immovable assets the expropriation whereof is sought are located, elected by the drawing of lots from a list of at least 25 owners, as well as the mayor of the locality. The board will carry out its works under the supervision of a Government delegate, in the case of national interest works, or of a delegate of the county council delegate or of the Bucharest Municipality Council, in the case of local interest works, as chairman"*).

It should be mentioned that the parties can agree on all expropriation-related matters before the board, including on the amount of the indemnities, such agreement standing as an *extrajudiciary transaction.* Following the deliberations, the board may, according to art. 18 of the Law no. 33/1994, as republished, either accept or reject the expropriator's point of view, while

also issuing a *substantiated decision* in this respect, to be communicated to the parties within 15 days as of its adoption.

Should the commission reject the expropriator's proposals, art. 19 of the Law no. 33/1994, as republished, allows for the submission of new proposals, with the adequate remake of the plans, following the same procedural steps. In case the board rejects the new proposals, the interested party, which may be the owners or the holders of other real rights over the immovable asset proposed for expropriation, *may challenge the board's decision* within 15 days as of its communication. The claim, which is tax-exempted, shall be submitted with the Court of Appeals in the area where the immovable property is located, and the court proceedings are as stipulated under the Law no. 554/2004 on contentious and administrative matters (published in the Official Gazette of Romania, Part I no. 1154 of December 7, 2004, as amended and supplemented).

Hence, as already mentioned, the board established pursuant to art. 15 of the Law no. 33/1994, according to the provisions in art. 18 of the same regulation, pursuant to the deliberation, may accept the expropriator's point of view or reject it, including such mention in a *substantiated decision*. As also decided by our courts of law, the request regarding the substantiation of the decision of the board reviewing the statement of defense lodged with regards to the expropriation proposals is a *sine qua non* prerequisite for the lawfulness thereof. The legislator's will, expressed in the law text is to make available to the expropriator, the owners and the court an act the content whereof confers, on the one hand, the possibility to know the reasons for which it was adopted, and, on the other hand, the possibility to censor it, according to art. 20 of the law, which allows for the challenging of the board's decision before the Court of Appeals. Hence, the supreme court has found that the substantiation obligation can no longer be appreciated as a mere form prerequisite, but, instead, as a *lawfulness prerequisite* (The High Court of Cassation and Justice, Division for contentious, administrative and tax matters, Decision no. 274 of January 26, 2006, available at https://legeaz.net/spete-contencios-inalta-curte-iccj-2006/decizia-274-2006).

3. Expropriation as such and indemnification setting

According to art. 21 of the Law no. 33/1994, as republished, the settlement of the expropriation applications is assigned to the county district court or to Bucharest District Court holding jurisdiction over the area where the immovable asset proposed for expropriation is located.

Pursuant to art. 23(2) of the aforementioned regulation, the court shall *only check whether all the prerequisites stipulated under the law are met and shall set the amount of the indemnification.* The court's decision may be challenged according to the law. Regarding the *indemnification,* the courts of law have shown that in the case of the expropriation "*it represents a compensation for the loss incurred by the owner, being provided as a replacement of the patrimonial asset, following the extinction of the private property title over the asset subjected to expropriation, with the consequence of the occurrence of the public property right over the same asset, in which regard, it must be rightful, meant to fully cover the loss incurred by the parties affected by the expropriation measure, including the one resulting from the impossibility to normally operate or use the plots of land that were not expropriated, it must be just, with the exclusion of any capping thereof and prior, it being an important guarantee granted to the parties entitled to an indemnification*" (Timișoara Court of Appeals, 1st Civil Division, Decision no. 693 of September 17, 2014, available at http://www.avocatura.com/speta/247920/expropriere-curtea-de-apel-timisoara.html).

Pursuant to the reading of art. 23(2) of the Law no. 33/1994, it may be noted that *the court cannot interfere in matters on the merits of the expropriation (*its necessity, extent, etc.), which is why the courts of law have decided, in the disputes having as subject the expropriation for reasons of public utility, that the *expropriator cannot challenge the transfer of the property title to the expropriator* over the immovable asset subjected to the expropriation. Hence, *the court of*

law only holds competency to decide on the amount of the indemnification, which must be set by a board of experts (Timișoara Court of Appeals, 1st Civil Division, Decision no 693 of September 17, 2014, *op.cit.*).

The law *allows the parties to agree before the court,* both on the expropriation, and on the indemnification, as well as if the parties only agree on the expropriation, but not on the indemnification. In this respect, in the first case, the court takes act of the agreement and *shall pass a final order* [art. 24(1) of the Law no. 33/1994, republished], and, secondly, the court takes act of the agreement and *shall set the indemnification* [art. 24(2) of the Law no. 33/1994, as republished]. If, even though legally summoned, one or several of the parties holding rights over the immovable assets, failed to appear, pursuant to art. 24(3) of the Law no. 33/1994, as republished, the court may decide *in absentia*.

In case the expropriator only requests the expropriation of a part of a plot of land or of the construction, and the owner requests full expropriation from the court, the court will appreciate, as compared to the actual situation, if the expropriation is possible. If not, the court shall order the full expropriation [art. 24(4) of the Law no. 33/1994, as republished].

In order to set the indemnification, the law court shall appoint, pursuant to art. 25 of the Law no. 33/1994, a *board of experts* made up of an expert appointed by the court and of an expert appointed by the expropriator and by the parties that are subjected to the expropriation. In so far as the appointment of the board of experts is concerned, as also shown in a dispute, it is *mandatory for the court of law* (The High Court of Cassation and Justice, Civil and Intellectual Property Division, Decision no. 6979 of September 14, 2006, in the "Romanian Pandects", no. 6/2007, 266, *apud* Jora and Ciochină Barbu 2019, 138, note 3). Also with regards to the experts' board, in a dispute, the court has found that out of the three experts' board members, none had been appointed by the court, which is why it decided that "the experts' board appointment act in infringement of the provisions on the merits stipulated under the law triggers the consequence of the cancelation thereof, as well as the sanction of the cancelation of the decision passed in the stage of the expert's report thus drafted" (Pitești Court of Appeal, Civil, labor and social security, minor and family division, Decision no. 306A of September 10, 2007, *apud* Bîrsan 2017, 143, note 1).

According to art. 26(1) of the Law no. 33/1994, republished, "the indemnification is made up of the actual value of the immovable asset and of the prejudice caused to the owner or other entitled parties", and according to para (2) of the same article, "upon the calculation of the amount of the indemnification, the experts, as well as the court shall take into account *the customary sale price of the immovable assets of the same type applicable in the administrative and territorial unit as on the expert's report date*, as well as the damage caused to the owner or, as applicable, to other entitled parties, also taking into account the evidence submitted by the same". Hence, as also shown by the High Court of Cassation and Justice, the aforementioned regulations stipulate that the indemnification due to the holder of the property right has *two components: the actual value of the immovable asset* and *the prejudice caused to the owner* (or to third parties) following the expropriation. *The first component,* that of the "*actual value*" of the immovable asset, is intrinsically related to the fairness of the indemnification received, which supposes that the actual value must be as close as possible to that of the expropriated asset. The *second component,* related to *"the prejudice caused",* takes into account the consequences of the expropriation over the certain, predictable, current or future benefits that the holder of the right can no longer enjoy (The High Court of Cassation and Justice, 1st Civil Division, Decision no. 736 of February 14, 2013, available at www.csj.ro).

In other words, the provisions in art. 26 of the Law no. 33/1994, republished, institute the legal obligation of the experts and of the court to set the amount of the compensation based on the direct comparison method, considering the alienated plots of land, with similar features, so that the use of other criteria is illegal (Timișoara Court of Appeal, 1st Civil Division, Decision

no. 1025 of November 11, 2013, available at https://www.jurisprudenta.com/jurisprudenta/speta-xt9ln12/).

In all cases of expropriation, the indemnification granted to the owner for the expropriation of the immovable asset must *reflect the market value thereof as on the expropriation date,* not a previous value, but, instead one that is contemporary to the moment when the property title is transferred, in order to ensure a complete and full remedy for the expropriated party" (The High Court of Cassation and Justice, 1st Civil Division, Decision no. 57 of January 13, 2017, available at website www.csj.ro).

The phrase *"the customary sale price of the immovable assets",* as the same is used in art. 26(2) of the Law no. 33/1994, as republished, shall mean the price actually established and registered as such in the authenticated sale and purchase agreement and not in the price offers posted online or published in newspapers (Bucharest Court of Appeal, 3rd Division for civil matters and minor and family cases, Decision no. 597/A of June 15, 2011, available at https://www.jurisprudenta.com/jurisprudenta/speta-l8yqmmh/).

Regarding the term *"compensation"* as the same is used in the body of art. 26(1) and (2) of the Law no. 33/1994 it should be mentioned that, as also shown by the court of law (The High Court of Cassation and Justice, 1st Civil Division, Decision no. 44 of January 20, 2016, available at website www.csj.ro), the legislator did not refer to the prejudice as the same is regulated in the field of civil liability in tort, *since the expropriation is an act of the state power, and not a form of tort,* so that there are no legal grounds to grant the deprival of the right of use - specific to the evaluation of the prejudice caused through an illicit act (or, expropriation is not an illicit act).

According to art. 26(3) of the Law no. 33/1994, *the indemnification due to the owner is assessed separately* from the one to be paid to the holders of other real rights. In the case of a partial expropriation, if the value of the part of the immovable asset that is not expropriated increases as a consequence of the works to be carried out, the law allows the experts to propose to the court a possible deduction of the damages only, pursuant to art. 26(4).

According to art. 27(1) of the Law no. 33/1994, as republished, after receiving the expert's review result, the court compares it to the claims lodged by the parties and issues a decision. The indemnification granted by the court *cannot be lower* than the one offered by the expropriator *or higher* than the one claimed by the expropriated party or by another interested party [para (2)].

Pursuant to the review of the provisions in art. 27 of the Law no. 33/1994, as republished, mentioned above, it can be noted that *the result of the expert's report regarding the amount of the compensation is not mandatory for the court of law*. The High Court of Cassation and Justice ruled in the same spirit in a dispute where it held that "the court is not under an obligation to substantiate its decision based on the expert's report drafted by the expropriator, because, such an obligation would devoid the provisions of art. 25 and the following from the law of all meaning" (High Court of Cassation and Justice, 1st Civil Division, Decision no. 426 of February 11, 2014).

The court *only has the obligation* to compare the result of the expert's result to the expropriator's offer and to the claims lodged by the parties, *"holding sovereignty in the establishment of the indemnification"* (Stoica, 2017, 179). Instead, the legislator imposed a single „*restriction*", according to which the indemnification granted by the court must not be lower than the one offered by the expropriated party or by any other interested party.

According to art. 28(1) of the Law no. 33/1994, as republished, *the transfer of the property right* from the expropriated party occurs after *the expropriator has fulfilled its obligation to pay the indemnification* as the same was imposed through the court order.

The issue of the enforceable title and *the granting of the possession* to the expropriator rely on the court's decision acknowledging the fulfilment of the *obligations concerning the indemnification*, a decision to be passed within no more than 30 days as of the payment of the indemnification. If the expropriation concerns cultivated lands, *the granting of the possession to the expropriator only occurs after the harvesting of the crops*, unless the amount of the crop that was not harvested was included in the calculation of the indemnification. At the same time, the

law stipulates that in the case of an extreme emergency imposed by works falling under the scope of national defense, public order and national security, as well as in the case of natural calamities, *the court may order the immediate granting of the possession to the expropriator,* and the latter must record the indemnification within 30 days, in the expropriated parties' name [art. 31-32 of the Law no. 33/1994, as republished].

The essential effect of the expropriation consists of the transfer of the expropriated immovable asset in the public property, through a court order, free from all encumbrance. In this respect, art. 28(3) of the Law no. 33/1994, republished, stipulates that *the beneficial interest, the use, habitation and superficies, the concession right, the right of use, as well as any other real rights are extinguished by expropriation*, the holders thereof being entitled to indemnification, whereas para. (2) of the same article stipulates that the encumbrances born by the act of man are extinguished if they become incompatible with the natural and legal context of the purpose sought by the expropriation. The same paragraph further stipulates that *mortgages and privileges established over the expropriated immovable asset are rightfully transferred,* by particular title real subrogation, to the compensation set by the court (Chelaru 1998, 14-17).

Foreign investment subrogation

In Romania, according to the provisions in art. 4(1) of the Government Emergency Ordinance no. 92/1997 on stimulating direct investments (published in the Official Gazette of Romania, Part I no. 386 of December 30, 1997), *the investments made in Romania, as well as the possession, use and disposal of a property also benefit from the facilities stipulated hereunder.* According to para (2) letter c) of the same article, the parties investing in Romania *mainly benefit from guarantees against nationalization, expropriation or other measures with an equivalent effect.* Moreover, it should be noted that art. 4(3) of the aforementioned regulation stipulates that the legal regime mentioned in para (1) and (2) do not apply to investors and investments operating in free trade zones or in areas regulated by special laws.

Conclusions

The Romanian law allows the authorities to intervene and expropriate certain privately owned immovable assets in order to transfer them into the public property, for the performance of local, county or national investment works meant to serve public utility purposes and to foster social growth.

As it follows from this paper, the law institutes a special expropriation procedure, carried out in three stages, i.e.: *The declaration of the public utility*, *the preparatory expropriation measures* or the so-called administrative stage and *the expropriation as such and the establishment of compensation*, i.e., the judiciary stage.

Moreover, in so far as the foreign investments made in Romania are concerned, it should be mentioned that *investors mainly benefit from guarantees against nationalization, expropriation or other measures with an equivalent effect*.

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