

Romania



Had Romania literally gone to the dogs? That is the question some in the country found themselves confronting in 2013 as the infighting between successive prime ministers and their opposition parties, as well as with the president, that produced a long period of political paralysis gave way to the more pressing issues of money management, mining and mutts.

In September 2013, against a backdrop of aid payments withheld by the European Commission (EC) due to corruption concerns, and a Canadian company threatening legal action in order to push ahead with a controversial open-pit gold mine, an horrific attack by a pack of wild dogs on a four-year-old Bucharest boy appeared to galvanise parliament into taking action.

The death from an attack near a city park by a pack of the city's stray dog population, conservatively estimated at above 50,000 animals, put pressure on the government to deal with a problem that dates from the Communist era, when forced migration to high-rise housing led people to abandon their pets.

According to news reports citing municipal officials, some 16,000 residents in the capital reported being bitten in 2012, up from around 13,000 in 2011. The problem also plagues other Romanian cities and towns, as well as the countryside. As a result, heeding a directive from President Traian Basescu, parliament voted overwhelmingly to institute a cull of the hundreds of thousands of strays nationwide. While animal rights campaigners at the turn of the fourth quarter of 2013 were pressing their case for sterilisation, a high court ruled that the nation-wide cull authorised by parliament could go ahead.

The question for the government of Prime Minister Victor Ponta is whether the Uniunea Social Liberala (USL) (Liberal Social Union) he oversees can martial that same sort of commitment when it comes to instituting more significant structural reform.

Majority rule

In the wake of a strong showing in the December 2012 parliamentary election (273 seats out of 412), the USL enjoys an unprecedented legislative plurality.

KEY FACTS

Official name: Romania

Head of State: President Traian Basescu (PD-L) (from 2004; re-elected 2009)

Head of government: Prime Minister Victor-Viorel Ponta (PSD) (from 7 May 2012; elected 9 Dec 2012)

Ruling party: Uniunea Social Liberala (USL) (Social Liberal Union) (coalition of four political parties) led by Partidul Social Democrat-Partidul Conservator (Alianta PSD+PC) (Social Democratic Party-Conservative Party) (appointed Apr 2012; elected 9 Dec 2012)

Area: 237,500 square km

Population: 21.35 million (2012)* (19,042,936; 2011, census figure)

Capital: Bucharest

Official language: Romanian

Currency: New leu (plural lei) (Nleu) = 100 ban

Exchange rate: Nleu3.32 per US\$ (Jul 2013)

GDP per capita: US\$7,935 (2012)*

GDP real growth: 0.33% (2012)*

GDP: US\$169.38 billion (2012)*

Labour force: 4.24 billion (2010)

Unemployment: 7.00% (2012)*

Inflation: 3.34% (2012)*

Oil production: 86,000 bpd (2012)

Natural gas production: 10.90 billion cum (2012)

Balance of trade: -US\$11.46 billion (2012)

Annual FDI: US\$2.56 billion (2011)

* estimated figure

Comprising Ponta's Partidul Social Democrat (PSD) (Social Democratic Party) and the Alianta de Centru Dreapta (ACD) (Centre Right Alliance) of the Partidul National Liberal (PNL) (National Liberal Party) and the Partidul Conservator (PC) (Conservative Party) that is controlled by Crin Antonescu, a senator, USL candidates captured 60 per cent of the ballots cast for the Chamber of Deputies, the lower house, and 58 per cent of those in Senate races.

Together, the USL holds 395 of the 588 total seats in both houses. Nevertheless, with only around 40 per cent of voters casting ballots, the victory is far from a mandate. Coupled with a failed July 2012 referendum aimed at impeaching Basescu that also failed to draw half of the electorate – even if nearly 90 per cent of votes cast were in favour of the impeachment, the constitutional court ruled the results invalid due to the low turnout – the president looks likely to see out his second and last term, which expires in 2014.

While the USL victory affirms political trends that saw a pair of Basescu-backed governments – those of Emil Basc and Mihai Razvan Ungureanu – toppled in 2012, the popular impetus for change remains uncertain even if the electoral foundations are in place. As such, progress in the wake of the USL victory appeared middling at best through the first half of 2013.

For example, and despite pre-election commitments by Ponta to bring the

country into closer alignment with its European Union trading partners, the EC moved in July to suspend disbursement of aid funds. As much as €15 billion (US\$20 billion) in aid was placed at risk in several spheres, including human resources, competitiveness, regional transport and the environment.

According to press reports, authorities had processed only €700 million (US\$933 million) in invoices for the first six months of 2013, well down on a take-up target of €4 billion (US\$5.3 billion), with the so-called 'financial corrections' set from 10 per cent and up to 25 per cent of the value of funds allocated under the programmes. Re-activation requires demonstrable proof of progress in curbing corrupt practices; something that entering the fourth quarter of 2013 the Ponta administration had still to provide.

Renewed talks

The USL's election victory also ushered in restoration of an emergency credit facility from the International Monetary Fund (IMF). A team made up of officials from the EC, the IMF and the World Bank agreed the €4 billion (US\$5.3 billion) bailout programme for Romania at the end of July 2013.

The two-year agreement includes balance of payments assistance from the EU, with the IMF and EC each contributing to the package. Strong performance in exports, which increased by better than 16

per cent year-on-year through the first seven months of 2013, were key to the agreement, which replaced a €5 billion (US\$6.7 billion) facility that expired in March 2013. The EC forecasts Romania's 2013 current account deficit as narrowing to around 2 per cent of gross domestic product (GDP), from 4.25 per cent in 2012.

The EC lauded the agreement as building on 'the achievements of the previous programmes that reduced large external and fiscal imbalances and advanced structural reforms, including the introduction of a new regulatory and pricing framework in the energy sector. However, government officials expressed their commitment to not drawing on the facility.

Public unrest over IMF-required austerity – including the implementation of a recommended 25 per cent cut in wages at state-owned enterprises – provoked the unrest that in February 2012 caused the collapse of then prime minister Emil Boc's centre-right Partidul Democrat-Liberal (PD-L) (Democratic Liberal Party) government. It also precipitated the polarising constitutional crisis that at mid-year 2012 saw Romanians take to the streets in European cities from London to Trieste over proposed changes to the state-sponsored provision of healthcare.

According to EC officials, Romanian authorities are expected to proceed with a programme of fiscal consolidation that will see the government budget deficit fall to 2.4 per cent of GDP in 2014 – from 2.9 per cent at year-end 2012 – and to achieving a structural deficit below 1 per cent of GDP by 2015.

The Ponta government also agreed to implement institutional reforms that will improve planning and administration in order to accelerate the absorption of EU funds. The deal also commits the government to increase tax collection – evasion saw the government lose out on tax receipts worth some 8.3 per cent of GDP in 2012, according to government statistics – and tighten fiscal governance.

Reform at state-owned enterprises will see Tarom, the state-owned airline, and elements of the rail network, including cargo unit CFR Marfa, undergo preparation for privatisation. The government in September 2013 sold a 10 per cent stake of Nuclearelectra, the utility that provides around a fifth of the country's power, via an initial public offering of shares on the Bucharest Stock Exchange that raised some €77 million (US\$102.67 million). Meanwhile financial sector policies are

KEY INDICATORS		Romania				
	Unit	2008	2009	2010	2011	2012
Population	m	*21.49	*21.40	*21.44	19.04	*21.35
Gross domestic product (GDP)	US\$bn	200.10	161.50	161.60	189.80	*169.38
GDP per capita	US\$	9,310	7,542	7,542	8,863	*7,935
GDP real growth	%	7.1	-7.1	-1.3	2.5	*0.3
Inflation	%	7.8	5.6	6.1	5.8	*3.3
Unemployment	%	4.0	6.3	7.6	5.8	*7.0
Oil output	'000 bpd	99.0	93.0	89.0	88.0	86.0
Natural gas output	bn cum	11.5	10.9	10.9	11.0	10.9
Coal output	mtoe	6.5	5.7	5.8	6.7	6.4
Exports (fob) (goods)	US\$m	49,626.0	40,713.0	49,411.0	55,614.0	51,291.0
Imports (fob) (goods)	US\$m	76,721.0	50,482.0	57,216.0	68,190.0	62,749.0
Balance of trade	US\$m	-27,095.0	-9,482.0	-7,805.0	-12,576.0	11,458.0
Current account	US\$m	-24,885.0	-7,482.0	-6,480.0	-8,541.0	*-6,474.0
Total reserves minust gold	US\$m	36,868.0	40,757.0	43,361.0	46,684.0	41,162.0
Foreign exchange	US\$m	36,747.0	39,344.0	42,303.0	45,823.0	41,012.0
Exchange rate	per US\$	2.52	3.05	3.18	2.98	3.49
* estimated figure						

aimed at strengthening bank balance sheets and the disposal of high system-wide levels of non-performing loans.

Broken dialogue

The desire of the government to keep the IMF funds in reserve is in part supported by its ability to borrow to meet its financing needs. Despite the political turmoil, domestic investors took up a €2.1 billion (US\$2.8 billion) in new scrip in January 2013. That was followed in July by a further €1.5 billion (US\$2 billion) in September 2013. In the interim, US investment bank JP Morgan included Romanian government debt in its family of Emerging Markets and global indices, helping to send the country's borrowing costs to record-low levels of around 5 per cent.

Nevertheless, the combination of the suspension of EU disbursements, and an impending settlement of contractual obligations with Canadian mining firm Gabriel Resources, may necessitate a draw-down. In September 2013 and in response to a decade of protests by environmental campaigners both in Romania and neighbouring countries, Ponta agreed to revisit the contract his government had renegotiated only weeks earlier and which give the Romanian state a larger share in the enterprise.

At issue is the fate of Rosia Montana, a site in the Carpathian Mountains near the Hungarian border, from which Gabriel Resources hopes to extract some 314 tonnes of gold and a further 1,500 tonnes of silver. The firm, listed on the Toronto Stock Exchange, has spent some C\$550 million (US\$534 million) on the project since signing on to develop the site in 1997. In August 2013, it agreed to increase the government share in the Rosia Montana Gold Corporation (RMGC) joint-venture subsidiary that would operate the open-cast mine at the site, where gold has been extracted since Roman times.

However, citing widespread street protests that were renewed when his administration achieved the richer deal, Ponta did a volte-face and supported a parliamentary rejection of the agreement on environmental grounds. Gabriel Resources wants to use sodium cyanide to extract the metals in a project it expects will create as many as 2,500 jobs at the four pits RMGC aims to create at the site.

Rather than vote, the parliament opted to create a commission to more fully assess the project. Made up of 21 deputies and senators, the commission was given an October 2013 deadline to produce its

findings and suggest a course of action, which will be submitted to parliament for a vote, likely in early November.

Despite calls by Ponta and USL co-leader Crin Antonescu to reject the project out of hand in the wake of the protests, government authorities concede that doing so could cost the government as much as €2 billion (US\$2.67 billion). Speaking with reporters in September 2013, Dan Sova, the minister for infrastructure and foreign investment, echoed Ponta's sentiments when he said that Gabriel Resources' largest shareholders – among them New York-based hedge fund operator Paulson & Co and Newmont Mining of Denver, Colorado. – were likely to litigate. Sova added that should a court case be put forward, the government has little in the way of legal room to defend itself.

Meanwhile, dozens of miners trapped themselves in existing pits at the site, threatening a hunger strike to protest the project's demise. And the price of Gabriel Resources shares also headed underground, slipping by some 70 per cent on news of the parliamentary setback.

Cleaning house

Romanian GDP increased by 0.7 per cent in 2012. A summer drought had affected agricultural output and a slow demand for exports from its core European trading partners put a drag on growth. For 2013, EU forecasters expect the rate of growth to more than double, to 1.6 per cent, thanks both to increases in investment and corresponding growth in domestic demand.

Average yearly incomes in Romania have tripled in the past two decades, to around €9,000 (US\$12,000) in 2013. Still, half of the population gets by on subsistence incomes and seven in 10 self-employed Romanians are agricultural workers over the age of 65.

With the consumer price index (CPI) expected to grow again, to 4.3 per cent in 2013, up from 3.4 per cent in 2012, rising domestic demand will underpin CPI increases. Some of the rises are expected to result from an increased focus on spending for public services.

Observers contend that if political unity can be maintained through to the presidential elections in autumn 2014, it is sure to prove beneficial for foreign investment. At mid-year, a new law on public/private partnerships was working its way through the EU approvals process. It promises more predictable conditions for foreign investors willing to develop public works

in Romania. While aimed primarily to facilitate investment in infrastructure and energy, the quality-of-life improvements will be more widespread should those pieces of legislation go ahead.

Risk assessment

Politics	Good
Economy	Fair
Regional stability	Good

COUNTRY PROFILE

Historical profile

1881 After surviving numerous invasions and regional upheavals, Romania became an independent country headed by a monarchy.

1918 Romania supported the Allies during the First World War and gained territory close to its borders.

1919 Hungary attacked Romania in retaliation for lost territory. The Romanians quickly defeated Hungary and briefly occupied parts of the country.

1920 Romania gained further parts of Hungarian territory through the Treaty of Trianon.

1929–34 Romania's agricultural sector was severely affected by a collapse in international grain prices. With the country in recession, the fascist and German-funded Iron Guard movement increased in popularity. In 1933, the organisation assassinated the prime minister, Ion Duca.

1938 King Carol, the head of state, declared Romania a royalist dictatorship and appointed a right-wing government. Carol ordered the arrest and execution of members of the Iron Guard.

1940 Military officers, helped by the Iron Guard, seized power. General Ion Antonescu forced Carol to abdicate. Carol's son, Michel V, replaced him as King. German troops were deployed in Romania and the country joined the Axis powers.

1941 The Iron Guard attempted to rebel against the Romanian government after they were ordered to disarm. A joint Romanian and German operation crushed the Iron Guard's rebellion.

1943 The Soviet Union invaded Romania. 1944 Antonescu's government was overthrown and replaced by a Communist coalition government.

1947–48 The monarchy was deposed and the Communist government declared the Romanian People's Republic.

1965 Nicolae Ceausescu took the position of first secretary of the Partidul Comunist Roman (RCP) (Romanian Communist Party).

1974 Ceausescu became president.

1985–86 An austerity programme led to food shortages and widespread power cuts.

1987 The army occupied power plants and crushed workers' demonstrations in Brasov.

1989 Riots in the city of Timisoara ignited a nationwide revolt. Parts of the army joined the revolutionaries, forming the Frontul Salvării Nationale (FSN) (National Salvation Front). Ceausescu and his wife, Elena, were summarily executed by a military tribunal and nearly 45 years of Communist dictatorship came to an abrupt and bloody end.

1990 Ion Iliescu was elected president, winning 85 per cent of the vote as the FSN candidate. Petre Roman formed a new government.

1991 Roman resigned as prime minister and was replaced by Teodor Stolojan after his reform programme led to civil unrest. Stolojan successfully guided Romania's new constitution through a referendum and parliamentary vote.

1992 Presidential elections were again won by Iliescu, who had formed his own political party, the Frontul Democrat al Salvării Nationale (FDSN) (Democratic National Salvation Front), following a split within the FSN.

1996 Iliescu stood again for the presidency and was defeated by Emil Constantinescu of the Convenția Democrată Română (CDR) (Romanian Democratic Convention) coalition. Victor Ciorbea (of the ruling CDR coalition). The FSN re-named itself the Partidul Democratiei Sociale din România (PDSR) (Democratic Social Party of Romania).

1998 Ciorbea resigned and was replaced by Radu Vasile.

1999 After relations with his cabinet collapsed, Vasile was replaced as prime minister by Mugur Isarescu.

2000 Cyanide leaked from a mine in northern Romania and polluted rivers in Hungary and Yugoslavia. Ion Iliescu won the presidency in the second round of voting. After parliamentary elections Adrian Nastase became prime minister, heading a coalition government, comprising the PDSR, Partidul Social Democrat România (PSDR) (Romanian Social Democratic Party) and the Partidul Umanist din România (PUR) (Humanist Party of Romania).

2001 Iliescu's PDSR merged with the PSDR to become the Partidul Social Democrat (PSD) (Social Democratic Party).

2003 In a referendum, 90 per cent of voters approved constitutional amendments to bring Romanian law in line with EU law.

2004 Romania joined NATO. Bucharest mayor (he later resigned as required by the constitution), Traian Basescu of the Partidul Democrat-Liberal (PD-L) (

Democratic Liberal Party), won the runoff presidential election. Basescu appointed Calin Popescu Tariceanu (PNL) as prime minister.

2005 Romania approved the EU accession treaty. The currency was re-valued at the rate of 10,000 old lei to one new lei. Prime Minister Tariceanu resigned, but after severe flooding killed 20 people, he retracted his resignation in order to focus on the reconstruction of the country.

2006 The EU officially agreed Romania's membership providing strong curbs were imposed on organised crime and corruption.

2007 Romania joined the EU. Parliament impeached President Basescu on charges of unconstitutional conduct during months of dispute between the president and prime minister. A later referendum on impeachment failed. The Constitutional Court reinstated Basescu's presidency.

2008 In new elections the Partidul Social Democrat-Partidul Conservator (Alianta PSD+PC) (Social Democratic Party-Conservative Party) alliance won by a tiny majority, 33.09 per cent (114 seats) in the vote in the Chamber of Deputies; the PD-L with 32.4 per cent (115), won most seats for a single party. The PSD and PD-L formed a ruling coalition and President Basescu appointed Emil Boc (PD-L) as prime minister,

2009 The International Court of Justice ruled on a maritime boundary dispute between Romania and Ukraine. A new border settled a 40-year disagreement (over an area of the Black Sea) by extending a line offshore from the land border, giving Romania and Ukraine a segment each of what is thought to contain rich fields of hydrocarbons. The PSD withdrew from the coalition government in protest at the sacking of the PSD interior minister, who had implied potential fraud in the upcoming presidential elections. The ruling PD-L continued as a minority government until it later lost a vote of no-confidence in parliament and was forced to resign. President Basescu nominated firstly Lucian Croitoru and later Liviu Negoita as prime minister, but the PSD majority in parliament insisted that Klaus Iohannis should be prime minister; a stalemate followed as neither side backed down. A referendum agreed to abolish the senate and reduce the number of parliamentarians to a maximum of 300. In a runoff presidential election, incumbent Traian Basescu won 50.33 per cent of the vote, Mircea Geoana (PSD) 49.66 per cent. Breaking the deadlock, parliament agreed to President Basescu's nomination of Emil Boc as prime minister.

2010 In a move condemned by the the EU and human rights groups, French authorities repatriated to Romania

foreign-born Roma people living without permits in camps around France. The government announced a package of austerity measures, including large-scale cuts. The constitutional court ruled against the proposed 15 per cent cut in state pensions; the government increased the rate of VAT to 24 per cent instead. Further austerity measures included a 25 per cent cut in public sector wages. Romania's high level of corruption became an issue when the EU called on Romania to take urgent action to tackle crime and corruption, and France and Germany blocked Romania's membership of the Schengen passport-free zone, saying it still needed to make 'irreversible progress' against corruption and organised crime.

2012 In January, nine EU members (Belgium, Germany, Ireland, France, Luxembourg, The Netherlands, Austria, the United Kingdom and Malta, and to a limited extent, Spain) extended their restrictions on work permits for Romanians until 2014. On 30 January former prime minister, Adrian Nastase (2000–04), was sentenced to two years in prison for corruption and siphoning-off state funds of around US\$2.1 million to fund his 2004 re-election campaign. On 5 February Emil Boc resigned as prime minister, to 'diffuse social tensions' in the face of protests at extended austerity budgets presented by his government and accusations of corruption and incompetence. The president nominated Mihai-Razvan Ungureanu (independent) as prime minister, which was ratified by parliament on 9 February. However, the opposition PSD boycotted the vote saying it would contest the decision to form a new government in the constitutional court. On 27 April, the government of Mihai Razvan Ungureanu resigned following parliament's vote of no confidence in its administration. The unpopularity of Ungureanu's austerity policies, which had cut salaries and raised taxes, allowed the opposition Alianta PSD+PC to seize the initiative and power. President Basescu appointed Victor Ponta (PSD) as acting prime minister until parliamentary elections, due to be held on 9 December, decides an outcome. On 6 July parliament voted to suspend President Basescu for 30 days, during which time a referendum would be held to decide whether to remove him from office. Crin Antonescu became acting president. President Basescu survived the impeachment vote on 29 July, due to a low voter turnout (46.13 per cent), although 87.5 per cent of those who voted were in favour of impeachment. Basescu resumed office on 28 August. On 25–26 October, at a meeting of the EU Justice and Home Affairs Council, it was agreed to postpone consideration of Romania's admittance to

the Schengen Area treaty until March 2013. Parliamentary elections were held on 9 December, in which the Uniunea Social Liberala (USL) (Social Liberal Union) (coalition of four political parties) led by the ruling Partidul Social Democrat-Partidul Conservator (Alianta PSD+PC) (Social Democratic Party-Conservative Party) won 273 seats out of 412. Prime Minister Ponta remained in office. 2013 In July the EU suspended aid payments after the government had failed to get to grips with corruption. On 13 September a four year old boy was killed by stray dogs. Within days parliament had passed a law ordering stray dogs to be euthanised within 14 days if an owned wasn't found.

Political structure

Constitution

The 1991 constitution proclaimed a democratic, pluralist system of government in which citizens' freedom and rights are guaranteed, although there are no specific measures protecting minority rights. It also stipulated the separation of the three public authorities – legislative, executive and judicial.

In 2003, the constitution was changed to bring it in line with EU law, in which private property is guaranteed, the police is demilitarised and the justice system is independent; ethnic minorities may use their mother tongue when dealing with the state and foreigners are permitted to buy land in Romania.

Both parliament and the president are elected by universal vote every four years. The president may not remain a member of any political party, and is limited to a maximum two terms in office. The minimum voting age is 18 years.

Romania is divided into 40 administrative counties, with Bucharest divided into administrative sectors. Each county, town and village has its own local authority headed by an elected, executive mayor and an elected council. Local government is based on the principle of local autonomy and decentralisation of public services, with locally elected mayors, city and county councils. A prefect for each county is appointed by central government as the ultimate authority for that region.

Form of state

Parliamentary democratic republic

The executive

The president nominates the prime minister and the government on the basis of a vote of confidence from parliament and is the commander-in-chief of the armed forces. The president's term of office is four years, renewable once only.

National legislature

The unicameral, Parlamentul Romaniei (Romanian Parliament) consists of the

Camera Deputatilor (Chamber of Deputies) with 300 deputies, directly elected by mixed member proportional representation, members are required to be of a minimum age of 23 years and to serve for four-year terms.

Legal system

The legal system is based on the Napoleonic Code and the 1991 constitution. There is an independent judiciary, although judges are appointed by the president and parliament. The Supreme Court comprises judges appointed by the president for a term of six years. It administers law, but cannot undertake judicial review. This is undertaken by the Constitutional Court, which comprises nine judges appointed by the president and parliament for a period of nine years.

Last elections

9 December 2012 (parliamentary); 22 November / 6 December 2009 (presidential and runoff).

Results: Parliamentary (chamber of deputies): Uniunea Social Liberala (USL) (Social Liberal Union) (coalition of four political parties) won 58.6 per cent of the vote (273 seats out of 412), Alianta România Dreapta (ARD) (Right Romania Alliance) (coalition of three political parties) 16.5 per cent (56), Partidul Poporului-Dan Diaconescu (PP-DD) 13.9 per cent (47), Uniunea Democrața Maghiara din România (UDMR) (Democratic Union of Hungarians in Romania) 5.2 per cent (18); 18 other political parties each won one seat. Turnout was 41.72 per cent.

Senate: USL won 60.1 per cent (122 seats out of 176), ARD 16.7 per cent (24), PP-DD 14.6 per cent (21), UDMR 5.3 per cent (nine); turnout 41.7 per cent.

Presidential (first round): Traian Basescu (PD-L) won 32.4 per cent of the vote, Mircea Geoana (PSD) 31.2 per cent, Crin Antonescu (PNL) 20.02 per cent; of the nine other candidates all won less than 6.0 per cent. Turnout was 54.4 per cent. (Runoff): Basescu won 50.33 per cent, Geoana 49.66 per cent.

Next elections

2013 (presidential); 2016 (parliamentary)

Political parties

Ruling party

Uniunea Social Liberala (USL) (Social Liberal Union) (coalition of four political parties) led by Partidul Social Democrat-Partidul Conservator (Alianta PSD+PC) (Social Democratic Party-Conservative Party) (appointed Apr 2012; elected 9 Dec 2012)

Main opposition party

Partidul Social Democrat-Partidul Conservator (Alianta PSD+PC) (Social Democratic Party-Conservative Party alliance)

Population

21.35 million (2012)* (19,042,936; 2011, census figure)

Last census: 20 October 2011: 19,042,936

Population density: 98 inhabitants per square km. Urban population 57 per cent (2010 Unicef).

Annual growth rate: -0.4 per cent, 1990–2010 (Unicef).

Ethnic make-up

Romanian (89 per cent), Hungarian (9 per cent), German (0.4 per cent), Ukrainian, Serb, Croat, Russian Turk and Gypsy (1.6 per cent). The Hungarian minority live principally in the Transylvania region. Around half of the then resident ethnic Germans returned to Germany in 1990 and many of the remainder have followed in recent years. Other small ethnic groups include Jews and a number of Greeks and Armenians.

Religions

Romanian Orthodox (70 per cent), Roman Catholic (6 per cent, of which 3 per cent are Uniate), Protestant (6 per cent), and unaffiliated (18 per cent). Since the revolution of 1989 there has been complete religious freedom. The dominant religion is Romanian Orthodox, with over 18 million believers, headed by a Patriarch based in Bucharest. The Roman Catholic Church has approximately 1.35 million members, and includes adherents of the Armenian, Latin and Romanian (Byzantine) rites. The Hungarian and German minorities are predominantly Protestant, and there are communities of the Old-Rite Christian Church (an Orthodox sect) and the Armenian-Gregorian Church. Despite emigration there is still a small Jewish community.

Education

Romania's transition to a market economy made a comprehensive reform of the education sector necessary. The World Bank has supported three reform projects with loan contributions amounting to US\$170 million. The centralised education system, with a standard curriculum and ineffective student evaluation system, has been replaced by a flexible curriculum framework, alternative textbooks and a modern evaluation system. Improvements in teacher training, financing and management are under way.

Primary education begins at age seven and lasts until age 11. Lower secondary education lasts for four years until age 15. Upper secondary courses take another four years to complete. Romania's five types of secondary schools specialise in different areas of education, including general secondary schools, vocational and art schools, those specialising in physical education and teacher training.

Minority language schooling is available, mainly in Hungarian and German. Higher education is offered in both public and private institutions.

Public expenditure on education typically amounts to 3.6 per cent of annual gross national income.

Literacy rate: 97 per cent adult rate; 98 per cent youth rate (15–24) (Unesco 2005).

Compulsory years: Seven to 15.

Enrolment rate: 104 per cent gross primary enrolment of relevant age group (including repeaters); 78 per cent gross secondary enrolment (World Bank).

Pupils per teacher: 20 in primary schools.

Health

As primary healthcare units suffer due to financial shortage, there is over-concentration of already scarce resources on hospitals. Outbreaks of infectious diseases, often contracted in hospitals, are common.

HIV/Aids

HIV prevalence: 0.1 per cent aged 15–49 in 2003 (World Bank)

Life expectancy: 72 years, 2004 (WHO 2006)

Fertility rate/Maternal mortality rate: 1.4 births per woman, 2010 (Unicef)

Birth rate/Death rate: 10.8 births per 1,000 population; 12.3 deaths per 1,000 population (2003).

Child (under 5 years) mortality rate (per 1,000): 12 per 1,000 live births (WHO 2012)

Head of population per physician: 1.9 physicians per 1,000 people, 2003 (WHO 2006)

Welfare

The comprehensive state insurance scheme, with premiums paid by enterprises and institutions on behalf of employees, provides free health care and benefits for all Romanian citizens. An unemployment allowance was created in 1991 and there are also funds allocated to sickness benefits, children's allowance and pensions. Employers make social security contributions of 28–38 per cent, unemployment fund contributions of 5 per cent and disabled fund contributions of 1 per cent on gross salaries. Employees pay 3 per cent of gross salaries to the supplementary pension fund and 1 per cent to the unemployment insurance fund.

There is high unemployment in Romania and there has been a 40 per cent fall in real wages since 1989. Survival is partly due to the fact that most Romanians do not pay rent or have a mortgage, since over 90 per cent were able to buy their homes for the equivalent of a few months rent after the revolution. Many also have small plots of farm land for subsistence

farming. It is expected that there will be a housing crisis for future generations, with many houses too small to be occupied by more than one family. Mortgages to buy houses are very expensive and are almost impossible to obtain. The government's housing programme aims to complete the tower blocks and apartments that were left unfinished after the revolution, and then allocate funds to social housing. There is wide variation between urban and rural infrastructure, with less than 10 per cent of country dwellers living in houses with running water and sewerage.

Main cities

Bucharest (capital, estimated population 1.9 million in 2012), Craiova (295,336), Cluj-Napoca (294,882), Galati (294,074), Constanta (293,310), Iasi (279,404), Timisoara (277,415), Brasov (274,404), Ploiesti (233,065).

Languages spoken

The most significant minority language is Hungarian. German and English are spoken in tourist regions. Romanian, although a Romance language developed from Latin, has influences from Slavic languages as well as Hungarian, French and Turkish.

Official language/s
Romanian

Media Press

The press is highly regionalised and includes publications in minority languages such as Hungarian, German and Serbian. Over 60 per cent of the population read one or more newspapers a day. There are around 10 national dailies, as well as dailies and weeklies published in the main cities. Newspapers tend to be independent, governmental or published by a political party.

Dailies: The most important independent national dailies in Romanian are *Evenimental Zilei* (www.evz.ro) is a mass-market newspaper, *Adevarul* (www.adevarul.ro), *Cronica Romana* (www.cronicaromana.ro), *Curierul National* (www.curierulnational.ro), *Libertatea* (www.libertatea.ro) and *Romania Libera* (www.romanialibera.ro). In English, *Nine O'Clock* (www.nineoclock.ro), *Jurnalul National* (www.jurnalul.ro) and *Evenimentul* (www.evenimentul.ro) have English online editions. In German, *Allgemeine Zeitung für Rumänien* is published five times a week and *Hermannstadter Zeitung* (www.hermannstaedter.ro); in Turkish *Zaman* (www.zaman.ro) and in Hungarian, *Uj Magyar Szo* (www.maszol.ro) *Háromszék* (www.3szek.ro) and *Krónika* (www.kronika.ro).

Regional dailies include *Azi* (www.azi.ro/) *Gardianul* (www.gardianul.ro), *Ieseanul* (www.ieseanel.ro) and *Observator de Constanta* (www.observator.ro).

Weeklies: The Sunday newspapers include *Adevarul*, *Cronica Romana*, *Curierul National*, *Nine O'Clock* (English) and *Azi*.

Business: In Romanian, *Bursa* (www.bursa.ro) reports on the stock exchange, *Capital* (www.capital.ro), *Săptămâna Financiară* (www.sfin.ro) and *Ziarul Financiar* (www.zf.ro) deal with financial news. In English, *Bucharest Business Week* (www.bbw.ro) and *The Diplomat* (www.thediplomat.ro) is published weekly.

Periodicals: Many special interest and business publications are published, mostly by independent companies.

Broadcasting

Radio: There are several domestic stations with the state-owned Radio Romania (www.srr.ro) providing four nationwide networks, featuring news, music and cultural shows, plus an international channel in English and 11 other languages. Commercial radio stations include Europa FM (www.europafm.ro), Kiss FM (www.mykiss.ro), Pro FM (www.profm.ro) and Radio 21 (www.radio21.ro).

Television: The state-owned television, Televiziunea Romana (TVR) (www.tvr.ro) operates two channels – Romania 1 and TVR2. Commercial networks include Antena 1 (www.antena1.ro), Prima TV (www.primatv.ro), Acasa TV (www.acasatv.ro) and Realitatea TV (www.realitatea.net) showing domestic and international programmes.

National news agency: Rompres

Other news agencies: Mediafax (www.mediafax.ro)

Economy

The economy is diverse with a wide range of productive sectors. Romania has a substantial industrial base, accounting for over 25 per cent of GDP, primarily in mining of iron ore. Around 20 per cent of industrial production includes a wide range of manufacturing enterprises, such as construction materials, chemicals, food processing, textiles and clothing. The service sector accounts for over 65 per cent of GDP; agriculture accounts for less than 10 per cent of GDP but employs around 30 per cent of the workforce. The country has a broad range of energy resources; including oil, natural gas and coal, as well as electricity produced from hydro- and nuclear-power stations, the output of which can be utilised locally and the excess exported.

The economy grew at an average rate of 6.2 per cent over 2005–08, but was badly affected by the global economic crisis which firstly damaged the construction

industry and then real estate, with a knock-on effect to the financial sector. As a result growth fell to a recessionary -6.6 per cent in 2009. The IMF agreed to a bailout loan of US\$17.5 billion in 2009, to stabilise the economy, while the European Central Bank (ECB) agreed to provide €20 billion (US\$28 billion) in multilateral financial assistance, including five direct payments over three-years amounting to €5 billion (US\$7 billion). In the short-term this had the effect of slowing the negative growth to -1.6 per cent in 2010, at a time when the strength of the euro-zone weakened, and this despite a pick-up in world trade. Although prospects improved in 2011, with an estimated growth rate of 2.5 per cent, this had followed austerity budgets that increased the rate of value added tax (VAT) by 5 per cent to 24 per cent and cut public sector spending. This depressed domestic spending, although it was designed to cut the budget deficit and meet conditions set by the IMF. The programme to privatise the state-owned chemical (plastics) producer, Olchim, was cancelled on 1 October 2012, just two days after the IMF approved the release of the latest tranche of €513 million (US\$661 million) as part of a two-year stand-by loan arranged in 2011.

Unemployment rose from 4 per cent in 2008, 6.3 in 2009, to 7.6 per cent in 2010, while the nominal rate of wage growth fell from 23.6 per cent per annum in 2008 to 5.9 per cent in 2009. Inflation remained above 5 per cent over 2004–06, and then spiked at 7.8 per cent in 2008, a figure markedly higher than the 4.8 per cent in 2007 as well the 5.6 per cent in 2009.

An important source of domestic revenue is the amount of remittances sent by migrant workers living abroad. In 2008, a record US\$9.38 billion was sent to families in Romania, which fell to US\$4.93 billion in 2009 and further still to US\$3.95 billion in 2010 (3.3 per cent of GDP) and down to an estimated US\$3.95 billion in 2011.

The down side of this departure of large numbers of workers to countries offering higher wages, which had accelerated with entry into the EU, is that it left Romania with a labour shortage, which has impeded its own economic expansion. It has also been forecast by the Demographic Research Centre of the National Institute for Economic Research (INCE) of the Romanian Academy that by 2050 the population could decrease by almost 23 per cent (from 21 million in 2008 to 17 million in 2050) if the falling birth and rising death rates continue and citizens are lost through emigration).

On 27 April 2012, the government of Mihai Razvan Ungureanu resigned following parliament's vote of no confidence in its administration. The unpopularity of Ungureanu's austerity policies, which had cut salaries and raised taxes allowed the opposition Alianta PSD+PC to seize the initiative. President Basescu appointed Victor Ponta (PSD) as acting prime minister until parliamentary elections, which are due to be held in November.

External trade

As a member of the European Union, Romania operates within a communitywide free trade area, with tariffs set as a whole. Internationally, the EU has free trade agreements with a number of nations and trading blocs worldwide.

Foreign trade represented 85 per cent of GDP and is expected to rise further since entry to the EU. Over 30 per cent of trade is with the EU while Russia supplies the majority of Romania's energy imports.

Imports

Main imports include machinery and equipment, fuels and minerals, chemicals, textile and products, basic metals and agricultural products.

Main sources: Germany (17.4 per cent of total in 2012), Italy (10.8 per cent), Hungary (8.9 per cent).

Exports

Main exports include clothing and footwear, metals and metal products, machinery and equipment, minerals and fuels, chemicals and agricultural products.

Main destinations: Germany (18.6 per cent of total in 2012), Italy (11.8 per cent), France (7 per cent).

Agriculture

The agricultural sector accounts for 12.8 per cent of GDP and employs 25 per cent of the workforce. The total agricultural area is 147,900 square km, of which 94,100 square km is arable. Arable land, pastures and hayfields cover 59.5 per cent of Romania, forests 26.7 per cent and vineyards 2.5 per cent.

Romania is Central Europe's most important agricultural producer, after Poland. Important agricultural produce includes grapes (the leading European producer), corn, wheat, maize, rye, sugar beet, oilseed, potatoes, plums, apples and meat. Although there has been progress in restructuring the sector, it has been slower than international financial institutions would like. Moreover, concerns have also been expressed at the re-introduction of import barriers and subsidies to protect the sector from Hungarian wheat and flour exports.

The restitution and privatisation of land has – in comparison with enterprise privatisation – advanced at a rapid pace, with over 85 per cent of agricultural land

in private ownership. Land restitution was highly politicised, with arguments surrounding the amount of land that was returned to claimants. Claims exceeded by a third the amount of land held in state hands, and delays in the process held up investment in the sector. Although land restitution was a major step forward, problems facing the sector include the small size of farms, no functioning land market, very few rural credit and investment schemes, and an extremely limited distribution and marketing infrastructure. The agricultural sector is subject to the reformed Common Agricultural Policy (CAP), whereby subsidies are no longer paid on farm output, which tended to benefit large farms and encourage over-production, but rather on single farm payments not conditional on production. Full implementation of CAP will be completed by 2013.

Romania's fishing sector has declined in the past decade, making little contribution to GDP. National consumption is falling too. Fisheries in the Black Sea have been spoilt by eutrophication and overfishing. Carp, mackerel and sardines are the principal catches. European spratt and anchovy are also plentiful. There are an estimated 10,000 persons working in the fishing industry.

Fish farming, including primary processing, packaging and trade will be improved through major investment projects. Forest and other wooded land accounts for less than one-third of the land area, with forest cover estimated at 6.4 million hectares (ha). Most of the forest area is located in the Carpathian mountainous region in the centre and west of the country. About nine-tenths of the forest is available for wood supply and is largely semi-natural. The growing stock consists of Norway spruce as the principal coniferous species, with beech and oak the main deciduous varieties. Although most of the forest is owned by the state, claims for restitution have increased private ownership.

Forests provide sufficient raw materials for the domestic industry to meet internal demands and also product for exports. Romania has a well developed timber and wood processing industry, concentrated in the northern regions of Moldavia and Transylvania. Substantial investments have been made to modernise older mills so as to improve its existing export base. Over half of the sawnwood production is exported, while more value-added products such as parquet, solid wood panels and furniture are obtained from hardwoods. Most of the paper demand is met by imports.

Industry and manufacturing

The industrial sector accounts for 26.2 per cent of GDP with manufacturing accounting for 21.8 per cent of GDP. The main industries are textiles and footwear, light machinery and auto assembly. Mining, timber, construction materials, chemicals, food processing and petroleum refining are all also significant sectors.

In June 2012 the US Ford Motor Company's first automated car plant in Craiova produced its first car, a B-Max model, which was purchased by the president. In full production, the plant is capable of producing 250,000 vehicles per year.

Tourism

Romania has historic buildings, six of which are included on Unesco's World Heritage List. However it is Romania's rugged Carpathian Mountains that attract many tourists who enjoy outdoor activities, such as skiing in winter and hiking in summer. The Blue Danube Delta, on the Black Sea, is one of Europe's biggest and best preserved deltas. It attracts amateur anglers who can fish for specific species during certain seasons. Tours to sites associated with Vlad Tepes, the inspiration for the fictional Count Dracula, are popular and include Sighisoara (Transylvania), his birthplace, and others in the south in Walachia.

Travel and tourism contributed 5.6 per cent of GDP (US\$11.4 billion) in 2008, falling to 4.7 per cent (US\$8.5 billion) as the global economic crisis cut visitor numbers from 8.9 million in 2008 to 7.6 million in 2009. Since 2009 the fall off in tourism has averaged -8.5 per cent, however it was forecast to have recovered in 2012 with a growth of 7.5 per cent. The sector provides employment for around 6 per cent of the workforce (around 500,000 jobs). The industry has solid backing from the government and capital investment has been constant at 7.2 per cent of total investment (2009–12). The tourist sector has had to work hard, to both revitalise a moribund sector and initiate extensive development, to enhance the reputation and image of Romania as a worthwhile destination for tourists. An EU Regional Operational Programme was instituted for 2007–13 to provide funds for regional development, including plans to improve tourism infrastructure.

Mining

Taken together, the mining and hydrocarbons sectors account for around 13 per cent of GDP and employ 8 per cent of the workforce. Output dramatically declined in the 1990s, reflecting prolonged restructuring. Romania's mining industry is well developed, although it suffers from

outdated technology and a lack of investment.

Mineral deposits include salt, lignite, iron ore, bauxite, manganese and small quantities of gold, zinc, uranium, tin and copper.

Romania aims to exploit domestic resources instead of relying on imports, even if the initial cost is high. Annual zinc output is around 28,000 tonnes, aluminium output around 150,000 tonnes and copper output around 30,000 tonnes. Mininvest, privatised in 1999, accounts for 60 per cent of Romania's copper production.

The government opened the gold mining sector to foreign exploration in 1999. Gabriel Resources, a Canadian company, are behind a US \$400 million project to create Europe's largest open-pit gold mine in the Rosia Montana valley. The International Finance Corporation (IFC) have refused financial backing to the proposal, which would displace 2,000 residents and produce high levels of hazardous cyanide.

Proven oil reserves were 600 million barrels in 2011. Consumption was 88,000 barrels per day (bpd), with consumption of 187,000bpd in 2011. Idle oil wells are being re-opened following the liberalisation of state prices and rising world prices.

The industry is independent with government owning shares in oil companies. Petrom is the largest oil and gas group, involved in exploration and production; public ownership is just 20.64 per cent of shares. Rompetrol is the second largest and an important multinational oil company in the EU. Russia's Lukoil is a major player in the downstream sector, owning the third-largest, and modernised, refinery in Romania. Other refinery owners have also sought external links, although the Romanian government is in general wary of Russian interests expanding into the domestic industry. Romania was instrumental in launching the Pan-European Oil Pipeline (PEOP) project, which will transport Caspian oil through Romania, Serbia, Croatia, and Slovenia to the Italian port of Trieste.

Hydrocarbons

Proven natural gas reserves were at 100 billion cubic metres (cum) in 2011. Even though Romania is Central and Eastern Europe's largest natural gas producer, production has fallen from 17.4 billion cum in 1997 to 11 billion cum in 2011, while consumption was 13.8 billion cum; the shortfall was made up solely of Russian gas imported by pipeline through Ukraine. Romania is looking for not just alternative sources of natural gas but a security in its sources. Russian gas

supplies have been disrupted in two consecutive winters (2008/09) by disputes between Russia and Ukraine, when supplies were suspended. Bulgaria, Italy and Russia are building a southern European gas pipeline (South Stream) that avoids traversing Ukraine and in 2009 Russia invited Romania to join the project.

Romgaz operates the national gas distribution system and is entirely owned by the state.

Proven coal reserves were 291 million tonnes in 2011, of which the majority is brown coal, typically used in power plants. Production was 6.7 million tonnes of oil equivalent in 2011.

Although the government has backed plans for restructuring and reinvesting in the industry, since 2000 the number of mines and miners has fallen, despite coal being planned to take a larger part of the energy mix until 2020.

Energy

Total installed generating capacity was 20.3 gigawatts (GW) in 2006. Romania has an energy mix that included coal (41.5 per cent), natural gas (16.7 per cent), oil and derivatives (0.7 per cent), hydro (32.0 per cent) and nuclear (9.2 per cent) in 2006. By 2008, nuclear energy was contributing around 20 per cent of electricity following the opening of the Cernavoda-1 nuclear power plant, which became operational in 2007. The potential for renewable energy is great but by 2009 any contribution to national electricity production was negligible.

In December 2011, three state-owned energy companies and the coal mines of Societatea Nationala a Lignitului, were merged in preparation for public sale in mid-2012. The thermal power stations were Complexul Energetic Craiova, Complexul Energetic Rovinari and Complexul Energetic Turceni; the new merged entity will be called Complexul Energetic Oltenia.

Financial markets

Stock exchange

Bursa de Valori Bucuresti (Bucharest Stock Exchange)

Commodity exchange

Bursa Monetar Financiară si de Mărfuri Sibiu (BMFMS) (Sibiu Monetary Financial and Commodities Exchange)

Banking and insurance

Since the early 1990s, the banking sector has undergone major restructuring and privatisation, although some areas of the banking, insurance, legal and financial sectors require upgrading. About 55 per cent of the banking system is foreign owned. Privatisation of Romania's largest bank, Banca Comerciala Romana (BCR), is scheduled for completion in 2006.

When both BCR and Casa de Economii si Consemnatiuni (CEC) are privatised, the banking sector will be 90 per cent foreign owned and highly competitive.

Central bank

Banca Nationala a Romaniei (BNR) (National Bank of Romania)

Main financial centre

Bucharest

Time

GMT plus two hours (daylight saving, late March to late October, GMT plus three hours)

Geography

Romania is situated in south-eastern Europe in the lower Danube basin bordering the Black Sea to the south-west (250km of coastline). Much of the country forms part of the Balkan Peninsula. Romania is the largest of the Balkan states. Ukraine is to the north, Moldova to the north-east, Hungary to the north-west, Serbia and Montenegro and Macedonia to the south-west and Bulgaria to the south. Romania is divided into four geographical areas. Moldavia and Transylvania (forest and mountains) make up the northern half, which is divided by the Carpathian Mountains. South of the Carpathians is the Danube plain of Walachia (including Bucharest), with the lower Danube marking the border with Bulgaria. Romania's Black Sea coastline incorporates the Danube delta and the port of Constanta.

Hemisphere

Northern

Climate

Romania has a moderate, continental temperate climate with long hot summers and cold winters. Snow falls throughout the country, although winters are coldest in the Carpathian mountains with snow between December and April, and mildest on the Black Sea coast. Mean temperatures in Bucharest are minus 2 degrees Celsius (C) in January and 23 degrees C in July. The coldest month is January with a mean temperature of minus 7 degrees C, rising to a peak of 30 degrees C in July. Temperatures can differ by 5–10 degrees C from the plains to the mountains. The wettest month is June with approximately 85mm of rain; the driest September with 30mm. The Black Sea water temperatures are 20–28 degrees C in July and August.

Dress codes

The business dress code is usually informal, with ties, sports jackets or blazers acceptable for meetings. Clothing should be medium-weight, plus a heavy topcoat and overshoes for winter. Lightweight clothing and a light raincoat are advisable for summer.

Entry requirements

Passports

Required by all, valid for six months from date of arrival.

Visa

Required by all, except nationals of EU/EEA countries, USA, Canada, Japan, Israel and some other countries. Transit visas are required by nationals of some countries. For full details of countries affected by all visa requirements, see www.roembus.org. An application form can also be downloaded. Business visitors, when required to apply for visas, should provide an employer's letter certifying purpose of visit, an invitation from a local company, proof of sufficient funds, travel insurance and return/onward passage.

Currency advice/regulations

The import and export of local currency is prohibited. There are no restrictions on the import of foreign currency, subject to declaration over eur10,000 (or foreign equivalent); export of foreign currency is limited to the unused amount, subject to presentation of exchange receipts.

Changing money at private exchange offices is often better than at banks. Kiosks are required to advertise an official rate, but ask if they can offer a better deal.

Romania is largely a cash-only economy. In Bucharest and main centres, major credit cards may be accepted at large hotels, car hire firms and stores; travellers cheques can be changed at banks and hotels. US dollars are the preferred hard currency.

Customs

Personal effects, 200 cigarettes and two litres of alcoholic beverages and small gifts are permitted duty-free. Banned imports include ammunition, explosives, narcotics and pornography.

Health (for visitors)

Hospital emergency rooms provide free first aid, but charge for all other medical services.

Mandatory precautions

There are no special requirements.

Advisable precautions

Typhoid, diphtheria and both hepatitis A and B inoculations are recommended, as well as inoculation against tick-borne encephalitis. It is advisable to boil water or drink bottled water where possible, although water in mountainous regions is supplied from local springs and is safe. Rabies is a health risk.

Basic medical supplies are limited, especially outside major cities, so always travel with sufficient medication.

Hotels

Classified as de luxe, A and B. Accommodation outside Bucharest is generally cheaper. Advisable to purchase pre-paid

vouchers for accommodation through travel agents, as a confirmed reservation, if not pre-paid, is not a guarantee of accommodation.

Credit cards

Credit cards are not widely used but are accepted in most major hotels. American Express, Visa and Eurocard are preferred. Credit card transactions are charged at a worse rate than that offered by exchange bureaux

Public holidays (national)

Fixed dates

1–2 Jan (New Year's Day), 1 May (Labour Day), 1 Dec (National Day), 25–26 Dec (Christmas).

Variable dates

Orthodox Easter Sunday, Orthodox Easter Monday

Working hours

Banking

Mon–Fri: 0900–1200 and 1300–1500. Creditbank, Bucharest Otopeni airport, open 1000–1800 daily.

Business

Mon–Fri: 0800–1700, lunch usually 1230–1300. Business hours can be haphazard with many offices closing on Friday afternoons.

Government

Mon–Fri: 0800–1700, lunch usually 1230–1300.

Shops

Mon–Fri: 0900–1800; Sat: 0900–1400.

Telecommunications

Telephone/fax

There are only basic telephone services.

Mobile/cell phones

There is widespread coverage, particularly in the major cities.

Social customs/useful tips

Traditional Central European courtesies with a measure of Latin informality are expected. Punctuality is observed to a degree. Shaking hands is the traditional form of greeting. Accepting hospitality from and giving social invitations to officials is normal, usually taking place in restaurants or hotels.

Smoking is prohibited on public transport and in cinemas and theatres, although many Romanians smoke and Western cigarettes are greatly appreciated.

Tips are expected by porters, chambermaids and taxi drivers.

Anyone photographing demonstrations risks arrest.

It is advisable to avoid the many stray dogs in and around Bucharest.

Security

Crimes against tourists are a growing problem in Romania. Money exchange schemes targeting travellers are becoming increasingly common. Bogus

policemen are an increasing hazard for the unwary business traveller. Their technique is to demand to see proof of identification, and then make off with a visitor's wallet. Keep passports separate from other valuables.

Extreme caution must be taken with unofficial change vendors: they are illegal and often fraudulent.

Getting there

Air

National airline: Tarom (Transporturile Aeriene Romane) (Romanian Air Transport)

International airport/s: Henry Coanda International Airport (OTP), 16km north of Bucharest; bank, post office, duty-free shop, car hire

Airport tax: None

Surface

Road: International roads connect Romania with Hungary. The E64 from Budapest goes through Arad, Brasov, Campina and Ploiesti to Bucharest. From Germany, the E60 goes via northern Hungary before going through Oradea. The route from Bucharest to Ukraine goes north through Bacau and to Chernovtsy in southern Ukraine. From Moldova, take the road from the border to the town of Husi. The better road links are via Germany, Austria and Hungary.

Rail: There are good rail connections with all neighbouring countries.

Water: Ships provide regular passenger services and cruises on the Danube, starting at Passau in Germany, through Austria, Slovakia, Hungary, Serbia, to Giurgiu (48km from Bucharest), and finally Constanta on the Black Sea.

Main port/s: Black Sea ports: Constanta, Mangalia and Sulina.

Danube ports: Orsova, Drobeta-Turnu Severin, Turnu Magurele, Giurgiu, Oltenita, Calaras, Cernavoda. Braila, Galati and Tulcea are both river and sea ports. The Danube is used heavily for freight transport since the opening of the canal link with the Black Sea.

Getting about

National transport

Air: Tarom and Carpatair operate regular internal services to main centres in Romania.

Road: Romania has around 78,000km of roads, of which 14,500km are national roads; 4,680km of the national roads are included within the European Road Network ('E' roads).

In July 2012, 50km of new roads were opened, extending two highways. One segment of the A2 (Autostrada Soarelui (Sun Motorway)), links Bucharest with Constanta, a port on the Black Sea. The other new road is part of the A3

connecting Bucharest with the city of Ploiesti (on the route into the Carpathian Mountains).

Buses: There are regular inter-city connections and local services to most towns and villages.

Rail: There is an extensive rail network. Efficient and cheap services operate between all main cities and towns. In addition to slower local services, there are express and inter-city services with dining and sleeping cars. Bucharest's principal station is the *Gara de Nord*.

Water: The principal navigable waterway is the Danube, on which cruises are available.

City transport

Taxis: Taxis are readily available in main centres and are inexpensive. Authorised taxis are identified by a 'Taxi' sign on the roof. Metered taxis should be used, although drivers may need to be reminded to switch them on. While a taxi may be hailed in the street, it is advisable to arrange a taxi by telephone, preferably from a company. A 10 per cent tip is normal. Informal operators at the main hotels and the airport overcharge and should be avoided.

Buses, trams & metro: It is easy to get around by bus, both within towns and cities and cross-country, but they are often slow, over-crowded and uncomfortable. Trams and trolleys also run in many centres. Tickets are purchased from booths and in some hotels; they should be punched immediately upon entering the vehicle. There is a metro system in Bucharest.

Car hire

Self-drive and chauffeur-driven cars are available from international and local companies in the main cities and airports. International or national driving licences are required. Traffic drives on the right, although Romanian driving can be very unpredictable. Speed limits are 120km per hour on highways, 90km per hour on other roads and 50km per hour in built-up areas.

BUSINESS DIRECTORY

The addresses listed below are a selection only. While World of Information makes every endeavour to check these addresses, we cannot guarantee that changes have not been made, especially to telephone numbers and area codes. We would welcome any corrections.

Telephone area codes

The international dialling code (IDD) for Romania is +40, followed by area code and subscriber's number:

Braila239Gaesti245
Brasov268Oradea259
Bucharest21Ploiesti244

Cluj-Napoca 264 Sibiu 269
Constanta 241 Timisoara 256

Useful telephone numbers

Fire brigade: 981
Police: 955
Ambulance: 961
Special ambulance service (pregnant women or women with small children): 969
Emergency hospital: 679-4310
Special information: 951
Time: 958
Railway information: 952
Weather report: 959
Enquiries: 930, 931, 932

Chambers of Commerce

American Chamber of Commerce in Romania, Union International Centre, 11 Ion Cimpineanu Street, Sector 1, 78664 Bucharest (tel: 315-8694; fax: 312-4851; e-mail: amcham@amcham.ro).

Brasov Chamber of Commerce and Industry, 18-20 M Kogalniceanu Street, 2200 Brasov (tel: 412-357; fax: 477-333; e-mail: ccibv@ccibv.ro).

Constanta Chamber of Commerce, Industry, Shipping and Agriculture, 84 Mircea cel Batran Street, bl MF1, Constanta tel: 619-854; fax: 619-454; e-mail: of-fice@ccina.ro)

Prahova Chamber of Commerce and Industry, 8 Cuza Voda Street, Ploiesti (tel: 513-122; fax: 516-666; e-mail: of-fice@cciph.ro).

Romania and Bucharest Chamber of Commerce and Industry, 2 Octavian Goga Boulevard, Sector 3, Bucharest (tel: 322-9535; fax: 322-9542; e-mail: ccir@ccir.ro).

Sibiu Chamber of Commerce, Industry and Agriculture, 1 Telefoanelor Street, 2400 Sibiu (tel: 210-503; fax: 211-831; e-mail: cciasb@cciasb.ro).

Timisoara Chamber of Commerce, Industry and Agriculture, 3 Piata Victoriei, 300030 Timisoara (tel: 490-766; fax: 490-311; e-mail: cciat@cciat.ro).

Banking

Banca Agricola, B-dul Voda, Sector 3, Bucharest (tel/fax: 323-6027).

Banco Comerciala Romana, B-dul Regina Elisabeta 5, Sector 3, Bucharest (tel: 312-6185; fax: 312-0056).

Bankco-op, 13 Ion Ghica St, Bucharest (614-3900; fax: 312-0037).

Romanian Bank for Development, 4 Doamnei St, Bucharest (tel: 613-3200, 615-9600; fax: 615-7603).

Romanian Commercial Bank, 14 Republicii Ave, Bucharest (tel: 614-5680, 615-7560; fax: 614-3213).

Central bank

National Bank of Romania, 25 Lipscani Street, Bucharest (tel: 313-0410; fax: 312-3831; e-mail: bnr@bnro.ro).

Stock exchange

Bursa de Valori Bucuresti (Bucharest Stock Exchange), www.bvb.ro

Sibex (Bursa Monetara Financiara Si De Marfuri Sibiu), www.sibex.ro

Commodity exchange

Bursa Monetara Financiara si de Marfuri Sibiu (BMFMS) (Sibiu Monetary Financial and Commodities Exchange), www.bmfms.ro

Travel information

Association of Ecotourism in Romania, Gabroveni Street 2, Sector 3, Bucharest (tel: 319-742; fax: 828-721; e-mail: roving@deltanet.ro).

Henri Coanda International Airport, 224E Bucharest Road, Otopeni (tel: 204-1200; fax: 201-4990; e-mail: otp@otp-airport.ro).

Romanian Automobile Club (Automobil Clubul Roman), 27 Tache Ionescu Street, 010353 Bucharest (tel: 317-8253; fax: 317-3964; e-mail: acr@acr.ro).

Tarom (Airline), Victoria Sq., 59 Buzesti Street, Bucharest (tel: 204-6464; fax: 204-6427; e-mail: agvictoria@tarom.ro).

Ministry of tourism

Ministry of Transport, Construction and Tourism, Bulevardul Dinicu Golescu 38, 010873 Bucharest 1 (tel: 319-6112; fax: 319-6204; e-mail: relpub@mt.ro).

National tourist organisation offices

Autoritatea Nationala Pentru Turism, Bulevardul Dinicu Golescu 38, 010873 Bucharest 1 (tel: 314-9957 fax: 314-9964; ie-mail: promovare@mturism.ro).

Ministries

Ministry of Agriculture, Blvd Carol I 24, 70312 Bucharest (tel: 614-4020; fax: 312-4410).

Ministry of Communications and Information Technology, 14 Libertatii Blvd, 76106 Bucharest 5 (tel: 400-1100, 312-0017; fax: 400-1329; internet site: <http://www.mcti.ro>).

Ministry of Culture, Piata Presei 1, Bucharest 71341 (tel: 223-1516; fax: 223-4951).

Ministry of Defence, Str Izvor 1-3, 70642 Bucharest (tel: 410-4040; fax: 312-0863).

Ministry of Foreign Affairs, Aleea Modrogan 14, 71274 Bucharest (tel: 212-2160; fax: 230-7489).

Ministry of Health, Str Ministerului 1-3, 70109 Bucharest (tel: 222-3850; fax: 312-4916).

Ministry of the Interior, Str Mihai Voda 3-5, 070622 Bucharest (tel: 311-2021; fax: 614-0909).

Ministry of Justice, Bd Mihail Kogalniceanu 33, 70602 Bucharest (tel: 614-4400; fax: 323-6179).

Ministry of Labour and Social Protection, Str Dem I Dobrescu 2, 70119 Bucharest (tel: 222-3850; fax: 312-2768).

Ministry of National Education, Str Gen Berthelot 28-30, 70749 Bucharest (tel: 614-4588; fax: 312-4719).

Ministry of Privatisation, Str Ministerului 2-4, 70109 Bucharest (tel: 222-3850; fax: 312-0809).

Ministry of Public Finance, Str Apolodor 17, 70663 Bucharest (tel: 410-3400; fax: 312-2077).

Ministry of Public Works and Land Use Planning, Str Apollodor 15-17, Sector 6, 70663 Bucharest (tel: 410-1933; fax: 411-1138).

Ministry of Youth and Sports, Str Vasile Conta 16, 70139 Bucharest (tel: 211-5550; fax: 211-1710).

Office of the Prime Minister, Piata Victoriei 1, 71201 Bucharest (tel: 212-1660; fax: 222-5814).

Presidency of Republic, Building Geniului 1 Cotroceni Palace, Bucharest 76238 (tel: 410-0581; fax: 312-1247).

Other useful addresses

Administration of Sulina Free Trade Zone, Dr Marcovici Str 2, Ground Floor, Bucharest (tel: 613-8733).

Agency for Restructuring, 152 Calea Victoriei, Sector 1, Bucharest (tel: 212-2424; fax: 212-1176).

Asigurara Romaneasca SA (Asirom), Str Smirdan 5, 70406 Bucharest (tel: 312-5020; fax: 312-4819).

British Embassy, Str Jules Michelot 24, 70154 Bucharest (tel: 312-0303; fax: 312-9741).

Centrul Roman pentru Dezvoltarea Intreprinderilor Mici si Mijlocii (Crimm)-PMU, 20 Ion Campineanu Str, Sector 1, 70709 Bucharest (tel: 311-1995/6/7; fax: 312-6966).

Chamber of Deputies, 1 Parlamentului Str, Bucharest (tel: 335-0111; fax: 312-0827).

Constanta South Free Zone Administration, Ferry Boat Terminal Building Agigea, code 8711, Jud Constanta (tel: 741-378, 618-718, 619-100 (ext 2118, 2162); fax: 639-000, 619-729, 693-913).

Council for Reform, Piata Victoriei 1, 71201 Bucharest (tel: 222-3687; fax: 222-4686).

Council for Economic Co-ordination, Strategy and Reform, Piaja Victoriei 1, 71201 Bucharest (tel: 222-3687, 312-4767; fax: 222-4686).

Department for European Integration (tel: 312-6928; fax: 312-6929).

Department of Public Information (tel: 222-3619; fax: 222-6088).

Department for Selective Restructuring of the State Ownership Fund, 6-10, Callea Grivitei, Sector 1, Bucharest (tel: 650-4822; 659-7693).

Economic Reform and Strategy and Co-ordination Council, 1 Victoriei Sq, Bucharest (tel: 617-7977; fax: 312-4686).

Fiman Fund PMU, 6-8 Povernei Str, Bucharest (tel: 212-2912; fax: 211-1937).

Insurance and Reinsurance Company SA (Aatra), Str Smirdan 5, 79118 Bucharest (tel: 150-986; fax: 139-306).

Land Reclamation Agriculture Department, Sos Oltenitei 35-37, 75501 Bucharest (tel: 634-5020; fax: 312-3712).

Lignite Public Authority, Str Tudor Vladimirescu 2, 1400 Târgu-Jiu (tel: 321-2513; fax: 321-664).

National Administration of Roads, Blvd Dinicu Golescu 38, 77113 Bucharest (tel: 312-8496).

National Agency for Privatisation, Str Ministerului 2-4, 4th Floor, Bucharest sector 1 (tel: 615-8558, 614-9495, 312-3030, 614-7854; fax: 312-0809/3030, 613-6136).

National Committee for Statistics, 16 Libertatii Str, Sector 5, Bucharest (tel: 312-4875; fax: 312-4873).

National Council for Environmental Protection, Piata Victoriei 1, Bucharest (tel: 143-400).

Navrom (Romanian Shipping Company), 8700 Constanta (tel: 615-821; fax: 618-413).

Nord-Est Press (Independent news agency), Str Smirdan 5, 6600 Iasi (tel/fax: 144-776).

Petrotel SA, Str Mihai Bravu 235, Jud Prahova, 2000 Ploiesti (tel: 146-671; fax: 142-408).

Project Implementation Unit within the Authority for Privatisation and Management of the State Ownership, Bucharest (tel: 303-6417; fax: 303-6416).

Radiodifuziuna Romana, Str Gral Berthelot 61-62, PO Box 63-1200, Bucharest (tel: 633-4710; fax: 312-3640).

Radioteleviziuna Romana (Romanian Radio and Television), Calea Dorobantilor 191, PO Box 63-1200, Bucharest (tel: 334-710; fax: 337-544).

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Radio Nord-Est, Str Smirdan 5, 6600 Iasi (tel: 145-530; fax: 146-363).

Rafo SA, Str Cauciucului 2, Jud Bacau, Onesti (tel: 324-786; fax: 323-267).

Research Institute for Foreign Trade, Str Apollodor 17, 5 Bucharest (tel: 312-3652, 631-1293; fax: 312-5652).

Romanian Agency for Energy Conservation, Splaiul Independentei 202A, 77208 Bucharest (tel: 650-6470; fax: 312-3197).

Romanian Commodity Exchange, 71341 Bucharest 1, Presei Libere Sq, Bucharest (tel: 01-617-2231; fax: 01-312-2167).

Romanian Development Agency (RDA), Boulevard Magheru 7, Bucharest 1 (tel: 615-6686, 312-3311; fax: 613-2415).

Romanian Embassy (USA), 1607 23rd Street, Washington DC 20008 (tel: (+1-202)-332-4846; fax: (+1-202)-232-4748; e-mail: info@roembus.org).

Romanian Government, 1 Victoriei Sq, Bucharest (tel: 222-3677; fax: 222-6088).

Romanian National Commission for Unesco, Str Anton Cehov 8, 71292 Bucharest (tel: 633-3223; fax: 312-763).

Romanian Parliament, Calea 13, Septembrie 1, 76117 Bucharest (tel: 335-0111).

Romanian Post Office, 14 Libertatii Avenue, 70106 Bucharest 5 (tel: 400-1102; fax: 400-1515).

Romanian State Railways (SNCFR), Blvd 38 Dinicu Golescu, Sector 1-Cod 78123 Bucharest (tel: 617-0148).

Romexpo SA (Trade fairs and exhibitions), Bd Marasti 65-67, 71331 Bucharest (tel: 618-1160; fax: 618 3725).

Rompres (Romanian News Agency), Piata Presei Libere 1, 71341 Bucharest (tel: 618-2878; fax: 617-0487).

Secretariat for the Privatisation and Restructuring Programmes within the Council for Co-ordination, Strategy and Economic Reform, 1 Piata Victoriei, Sector 1, Bucharest (tel: 312-8445, 222-8335; fax: 312-6932).

Senate of Romania, 1 Revolutiei Sq, Bucharest (tel: 615-0200, 617-0160; fax: 312-1752).

Societatea Nationala a Cailor Ferate, State Ownership Fund, CA Rosetti Str 21, Bucharest (tel: 611-4943).

State Ownership Fund, RDA Business Centre, World Trade Plaza, 2 Expozitiei Avenue, Ground Floor, Bucharest (tel: 230-0760).

Supreme Court of Justice, 4 Rahovei Str, Bucharest (312-0920; fax: 613-0882).

Prosecutor General's under the Supreme Court of Justice, 2-4 Unirii Ave, Bucharest (tel: 631-1750, 781-3065; fax: 781-6210).

Televiziuna Romana – Telecentrul Bucuresti, Calea Dorobantilor 191, PO Box 63-1200, Bucharest (tel: 633-4710; fax: 633-7544).

USA Embassy, Str Tudor Arghezi 7-9, Bucharest (tel: 312-4042; fax: 312-0395).

National news agency: Rompres

Piata Presei Libere 1, Sector 1, Bucharest 013701 (tel: 207-6110; fax: 317-0707; email: rompers@rompres.ro; internet: www.rompres.ro).

Other news agencies: Mediafax (www.mediafax.ro)

Internet sites

Association of Ecotourism in Romania: www.eco-romania.ro

Yellow Pages:

www.romanianyellowpages.com/~mozaic

Romanian Home Page:

www.ici.ro/romania

Romanian National Tourist Office:

www.romaniantourism.com