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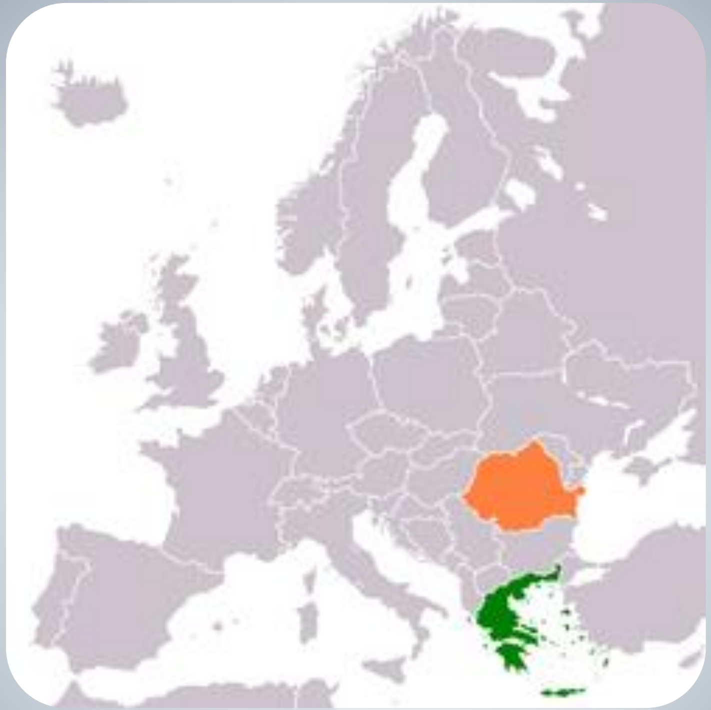

# "Doing Business with Romania - The Romanian Market, Greek presence, products and opportunities"

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# ROMANIA

## General Data

• Member of the EU since 1.1.2007

• Currency : Romanian Leu Exchange rate 2022, €1 = 4.86 Lei

• Area: 238,391 sq.km.-about 1.8 times larger than Greece-

• Population : 19.1 million - about 9.9 million living in urban areas and 9.2 million in rural areas

• Largest cities: Bucharest and the greater Ilfov area (2.2 mil.) and Cluj Napoca, Timisoara, Iasi, Constanta, Craiova and Brasov (round 300,000 inhabitants )

# Romanian Economy – Indices

- GDP 2022: 4.8% growth - Forecast 2023: 2,5-3%.

- GDP value: $284.1 billion - Per Capita GDP: $14,852

- The Romanian government raised the gross minimum wage to 3,000 lei (610 euro) from 2,550 lei, starting January 1 2023. In the construction sector, the minimum wage will rise to 4,000 lei (815 euro) from 3,000 lei.

- Romania's workforce tallied roughly 7.75 million employees in 2021.

- Inflation 2022: 12% - Forecast 2023: 7-9%
Annual inflation rate decreased to 14.53% in March 2023 from 15.5% in February 2023. Food prices increased by 21.56%, non-food prices by 11.06% and service prices by 10.83% (data National Institute of Statistics /INS) ,
In its efforts to fight inflation, the Central Bank has increased its interest rates 12 times since January 2021 (3 increases in 2021, 8 increases in 2022 and 1 increase in January 2023, interest rate at 7%).

- Unemployment, December 2022: 5.6%.

- FDI: Total net inflows of €9.6 billion in 2022, 3.3% of GDP, FDI increase of 9%

- Foreign Trade balance :
  -Trade Deficit €34.2 billion, annual increase €10.4 billion
  -Exports, €91.9 billion – annual increase 23.1%
  -Imports €126.1 billion - annual increase 28.1%
  -Foreign Trade, Major product categories: machinery and transport equipment accounted for 41.7% of Romania's exports and 32.8% of imports, while other manufactured goods accounted for 29.8% of exports and 28.3% of imports.

# Romania- Recovery and Resilience Plan

The plan consists of 107 investment measures and 64 reforms. They will be supported by an estimated **€14.24** billion in grants and **€14.94** billion in loans. **41%** of the plan will support the green transition and **20.5 %** of the plan will support the digital transition. **The plan will foster economic growth and create jobs**. It is expected to lift Romania's gross domestic product by 1.8% to 2.9% by 2026. This boost to the economy is expected to bring up to 90,000 citizens into jobs. Romania will also benefit from the Recovery and Resilience Plans of other Member States, for instance through exports. These spillover effects account for **0.2 percentage points of gross domestic product in 2026,** showing the value added of synchronised expenditure across Member States.

# Romania is a successful example of Greek entrepreneurial extroversion

Constantly growing exports value

Greece is the 8th biggest investor in Romania, Greek investments in Romania FDI Stock : €1.5 billion

Number of established Greek companies 8,400

Surplus in bilateral Services Balance, +285 mil.Euro's (2022, Data: Bank of Greece)

# Constant increase of exports value

Exports to Romania are constantly increasing, as in 2012 they reached 590.9 million Euros, in 2019 they exceeded the 1 billion Euros barrier for the first time, from 2020 onwards the increase has been rapid (2021/2020 +265.4 million Euros, 2022/2021 +433.6 million Euros, 2022/2020 +699 million Euros), while in 2022 exports reached 1 billion 823.4 million Euros. At the same time, **since 2020, Romania has entered the list of the 10 main export destinations for Greek products,** where it remains for both 2021 and 2022.
In further detail :

| Year | Exports Value (Mil. Euros) |
|---|---|
| 2013 | 618,1 |
| 2014 | 654,1 |
| 2015 | 729,9 |
| 2016 | 769,1 |
| 2017 | 875,0 |
| 2018 | 969,6 |
| 2019 | 1.044,8 |
| 2020 | 1.124,4 |
| 2021 | 1.389,8 |
| 2022 | 1.823,4 |

Source: ELSTAT

# BILATERAL TRADE

New record exports and significant increase in bilateral trade volume (2022)

Bilateral trade volume

**2.849,6 Mil. €**

2021: 2.250,7 Mil. €

Exports to Romania

**1.823,4 Mil. €**

2021: 1.389,8 Mil. €

Imports from Romania

**1.026,2 Mil. €**

2021: 860,9 Mil. €

# EXPORTS ANALYSIS - Top 10 exported products (2022)

| Exports to Romania | | | | |
|---|---|---|---|---|
| **CN4** | **Description** | **2021** | **2022** | **Variation 2021/2020** |
| | | **Value in Euro** | **Value in Euro** | |
| | **Total Exports to Romania** | **1.389.768.278** | **1.823.416.373** | **31,20%** |
| 7213 | Bars and rods, hot-rolled, in irregularly wound coils, of iron or non-alloy steel | 153.813.541 | 119.449.350 | -22,34% |
| 9503 | Toys | 94.148.531 | 108.379.756 | 15,12% |
| 2711 | Petroleum gases and other gaseous hydrocarbons | 170.000 | 106.808.534 | 62674712% |
| 7408 | Copper wires | 100.151.228 | 105.272.479 | 5,11% |
| 3105 | Mineral or chemical fertilisers containing two or three fertilising elements: nitrogen, phosphorus and potassium. | 27.885.442 | 78.747.019 | 182,39% |
| 8471 | Automatic data-processing machines and units thereof | 34.021.240 | 62.657.255 | 84,17% |
| 805 | Citrus fruits | 49.672.458 | 52.126.495 | 4,94% |
| 7214 | Other Bars and Rods of iron or non-alloy steel | 35.793.504 | 48.176.571 | 34,60% |
| 2713 | Petroleum coke, petroleum bitumen and other residues of petroleum oils or of oils obtained from bituminous minerals | 29.538.919 | 42.894.021 | 45,21% |
| 3903 | Polymers of styrene in primary forms | 28.632.504 | 36.467.083 | 27,36% |

Source: ELSTAT

# EXPORTS ANALYSIS – Food & Beverages

| | 2020 | % | 2021 | % | 2022 | % |
|---|---|---|---|---|---|---|
| Total Exports to Romania | **1.124,4** | | **1.389,8** | | **1.823,4** | |
| Exports of Agrifood & Beverages | **270,0** | 24,0 | **288,9** | 20,8 | **339,1** | 18,6 |

Source: ELSTAT

## Top 20 exported products (2022)

| | | 2020 | 2021 | 2022 |
|---|---|---|---|---|
| **CN4** | **Description** | **Mil.Euro** | **Mil.Euro** | **Mil.Euro** |
| 0805' | Citrus fruit, fresh or dried | 48,6 | 49,7 | 52,1 |
| 0809' | Apricots, cherries, peaches etc | 26,5 | 17,4 | 29,4 |
| 0810' | Strawberries, Kiwifruit,berries | 15,5 | 17,9 | 27,7 |
| 0803' | Bananas | 20,2 | 17,5 | 27,1 |
| 2005' | Other vegetables prepared or preserved (**Olives**, Asparagus, Peas, Beans, Capers, Corn etc) | 25,3 | 23,7 | 17,9 |
| 0302' | Fish, fresh or chilled | 12,2 | 14,8 | 14,8 |
| 1905' | Bread, pastry, cakes, biscuits and other bakers' wares, whether or not containing cocoa; | 7,4 | 9,7 | 10,4 |
| 2106' | Food preparations (c.c .ingredients) not elsewhere specified or included, | 5,0 | 6,5 | 9,5 |
| 1511' | Palm oil and its fractions, | 3,6 | 6,4 | 9,0 |
| 0707' | Cucumbers and gherkins, | 5,0 | 7,2 | 8,0 |
| 0806' | Grapes, fresh or dried | 5,0 | 9,1 | 7,7 |
| 0406' | Cheese and curd | 6,3 | 7,8 | 7,5 |
| 1901' | Malt extract; food preparations of flour, groats, meal, starch or malt extract, | 4,8 | 5,4 | 6,9 |
| 2203' | Beer made from malt | 3,4 | 2,8 | 6,5 |
| 0807' | Melons (including watermelons) | 6,2 | 6,4 | 6,5 |
| 2009' | Fruit juices (including grape must) and vegetable juices, | 4,4 | 5,8 | 5,3 |
| 2008' | Fruit, nuts and other edible parts of plants, otherwise prepared or preserved, whether or not containing added sugar (**Canned Peaches-**Pears-Apricots, Nuts etc), | 3,5 | 3,0 | 4,5 |
| 1509' | **Olive oil** and its fractions, | 2,7 | 3,2 | 4,3 |
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# Romanian market – useful details

- **Romania is positioned in the vicinity of several large markets,** including the European Union, the CIS states and the Middle East and is also home to a third of the Danube as well as of the largest and deepest harbor at the Black Sea (Constanta), which is deemed to provide a competitive advantage with regard to the transportation of Asian goods by sea.

- The economy of Romania is a high-income mixed economy with a **very high Human Development Index and a skilled labor force,** ranked 10th in the European Union by total nominal GDP.

- **Romania is a leading destination in Central and Eastern Europe for foreign direct investment.**

- **Romania is the largest electronics producer in Central and Eastern Europe.**

- In the past 20 years**, Romania has also grown into a major center for mobile technology, information security, and related hardware research. The country is a regional leader** in fields such as IT and motor vehicle production.

- **Bucharest is one of the leading financial and industrial centers in Eastern Europe.**

- **The top 10 exports of Romania** are vehicles, machinery, chemical goods, electronic products, electrical equipment, pharmaceuticals, transport equipment, basic metals, food products, and rubber and plastics.

- **Highly competitive market** in which more of the multinational companies are present

**i.e. Retail Sector :** Lidl + Kaufland (Schwarz Gruppe/DE), Carrefour Group/FR, Ahold Delhaize/NL, Metro AG/DE, Auchan/FR

# Romanian market – useful details

- **E-Commerce market in Romania** (data : ecomerce db)

Predicted revenue of US$ 6,7 billion by 2023

Revenue is expected to show a compound annual growth rate (CAGR 2023-2027) of 13.2%, resulting in a projected market volume of US$ 11,1 billion by 2027.

**Fashion** is the largest market and accounts for 46.0% of the Romanian eCommerce revenue. It is followed by :

**Food & Personal Care** with 18.9%,

**Electronics & Media** with 15.2%,

**Toys, Hobby & DIY/DoItYourself** with 10.2%, and

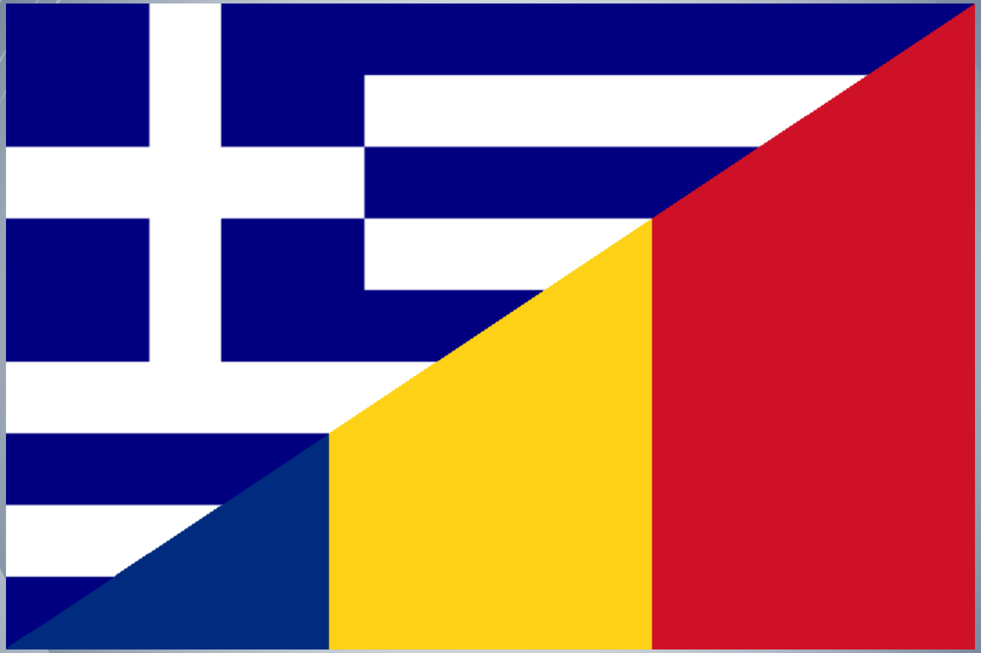
**Furniture & Appliances** with the remaining 9.8%.

- **Buying/Shopping habits**

-The vast majority of consumer shopping in Romania does not take place in main shopping streets **but in shopping centers/Malls**. In the whole country Shopping Centers/Malls exceed the Number of 30, while in Bucharest exceed the Number of 14.

-A visit to a Shopping Mall **(open 24/7)** combines activities of i.e. Shopping, Super Market, having a coffee, having a lunch in a fast food chain, having a haircut, Clothes Dry Cleaning, Visit a Bank branch+ATM, Watching a movie etc.

# THANK YOU !



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