

U.S. Country Commercial Guides



ROMANIA 2020

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Doing Business in Romania

Market Overview

Romania is a market with vast potential, a strategic location, though with a challenging business climate. Its economy was among the EU's fastest growing with 4.1% growth in 2019. While this growth was primarily driven by consumption, nearly every sector experienced business growth. Leading economic sectors presently include agriculture, manufacturing, auto assembly, textiles and footwear, petroleum refining.

Romania is eligible to receive approximately €43 billion (\$57.1 billion) in EU funding for the 2014-2020 programming period, but lack of institutional capacity has limited its ability to effectively absorb these funds. Bilateral trade in goods between Romania and the United States amounted to \$3.32 billion in 2019, with \$2.38 billion in Romanian exports to the United States and \$0.94 billion in U.S. exports to Romania.

This report is intended to aid American companies in developing and executing new and increased sales to this important and promising – yet still transitional – EU market.

Market Challenges

Romania overthrew its communist regime almost thirty years ago, yet the Romanian government still plays an oversized role in the economy in terms of employment, ownership of assets, and influence on the business environment. State-owned enterprises shape many industries, acting as dominant customers, suppliers, or, in some cases, competitors. Despite pleas from the international finance and business community, state-owned enterprises in the country do not regularly utilize private management.

While some progress has been made since joining the EU in 2007, companies in Romania still report challenges regarding the independence and efficiency of the judicial system, corruption, bureaucracy, and political instability. Romania's poor infrastructure continues to negatively impact business costs, productivity, public safety, and the country's ability to attract foreign investment. The country's connections to the rest of the EU's transportation infrastructure are still underdeveloped, which holds back the country's ability to realize its full potential for new investment, trade, and tourism.

Romania is not a member of the "Euro Zone", so payments are made in local currency – the New Romanian Lei (RON). However, many companies and consumers have debt denominated in euros, and most big-ticket consumer items (i.e., real estate, cars, and major appliances) are priced in euros. This creates trade inefficiencies due to higher transaction costs and exchange rate fluctuations.

Many U.S. firms operating in Romania face ongoing challenging with recruiting and retaining employees. A fast growing economy, increasing investments and the ability for Romanians to work for higher wages elsewhere in the EU had led to a labor shortage. This shortage is more pronounced in north and western parts of the country where employers often bus in workers from villages. While unemployment rates are higher in the Moldova region, companies report that skilled works are harder to find in the lesser-developed eastern portions of the country.

All companies operating in Romania report complaints with frequent legislative changes without prior private sector consultations. Regulatory Impact Assessments (RIAs) are very rare and laws can change with little notice.

Romania's economy is projected to recover from the COVID-19 pandemic by 2021 with positive quarterly growth beginning in late 2020 or early 2021. Economists expect Romania to contract between 3% and 6% of GDP in 2020, due largely to Q2 2020 when the country was subject to a state of emergency.

Market Opportunities

Romanians are generally very welcoming of Americans and very favorable towards products and services from the U.S. Despite Romania's challenges, several underlying attributes of its economy allow it to keep positive momentum

in terms of economic growth and, ultimately, opportunities for trade. As an EU member state, Romania not only offers a sizable domestic market but also a comparatively low-cost foothold for accessing the entire EU market. The country's location - bordering the Black Sea in Southeast Europe - provides a view beyond Europe and shortens the distance for export sales to Turkey, the Balkans, the Middle East, Ukraine, and Moldova.

The U.S. Commercial Service Romania believes that the best prospects for U.S. companies in Romania are in the following sectors, each of which is explored in greater detail later in this report:

- Agribusiness
- Defense
- Energy, Oil & Gas, Renewable Energy
- ICT (Information & Communications Technology)

Market Entry Strategy

A local business presence is essential to success in the Romanian market. This can take the form of distributor agreements, subsidiaries, joint ventures, or acquisitions. Regardless of the form of investment or entry strategy, American businesses considering the Romanian market should research their specific prospects thoroughly, perform due diligence, and be prepared to adapt their business models as necessary. Firms are encouraged to retain legal and financial counsel with solid knowledge of Romanian law and develop relationships with other service providers, such as banks and accountants.

Leading Sectors for U.S. Exports and Investment

Agricultural Sectors

Agricultural Machinery & Equipment

Overview

U.S. manufacturers and exporters of agricultural equipment have good prospects in Romania, in both the short and long term. However, there are several structural issues that affect demand for this equipment.

While Romania has an abundance of rich soil, the predominance of subsistence farming means that the country has a minimal amount of arable land per holding. Some small commercial farms are realizing that they can increase profitability by voluntarily forming associations to aggregate production and marketing. Relatively few large farms coexist with many small ones, which influence the competitiveness of Romanian agriculture.

U.S. manufacturers of agricultural equipment will find strong demand in the Romanian market, but a limited, yet growing, number of buyers. Farms with more than 100 hectares, or 250 acres, make up a very small proportion of Romania's farms. However, commercial farms are investing to increase productivity. They have also become more adept at using financing from EU programs and the U.S. Export-Import Bank's financing tools.

Discounted land prices, good-quality soil, low labor costs, and the potential for large productivity gains are attractive opportunities for foreign investors. Romania's principal crops - corn, wheat, and sunflower - account for about 15 million acres of farmland. These offer opportunities for silos, agricultural machinery, irrigation equipment, greenhouses, and agricultural inputs such as fertilizers and feed supplements.

Leading Sub-Sectors

Irrigation Technology & Equipment

In the Communist period, Romania had a large national network of irrigation canals. However, this infrastructure has long since fallen victim to neglect, pilferage, and deterioration. Only a small portion of the irrigation network is in use. Currently, of the 9 million hectares (22 million acres) of arable land in Romania, less than 10% is irrigated.

The Ministry of Agriculture in Romania has recently launched a program to rehabilitate the irrigation canal network. Upcoming tenders present a clear opportunity for U.S. suppliers of irrigation canal building technologies, pumping stations, and irrigation systems related to the reconstruction of irrigation canals. Romania's irrigation sector is implementing a program – approved with a budget of \$1.12 billion - to build primary irrigation canal infrastructure throughout Romania from 2018-2020.

The EU has provided millions of euros in grants to rural businesses, including farms, for investment in agricultural machinery and equipment, manufacturing facilities, and other agricultural purposes. Between 2014 and 2020, a substantial percentage of EU structural funds (about \$24 billion) are destined for agriculture within the European Agricultural Fund for Rural Development. Farmers access this money by submitting eligible projects to the Ministry of Agriculture and Rural Development. This is also a growing opportunity for U.S. suppliers of farming machinery to export their equipment to Romania.

Opportunities

Trade Events

October 28th – November 1st, 2020: INDAGRA - International Trade Fair of Equipment and Products in Agriculture, Horticulture, Viticulture and Animal Husbandry, 25th Edition, Romexpo Exhibition Center, Bucharest, Romania, [Indagra](#)

June 2021: Expo AgriPlanta – RomAgroTec: Open-Air Exhibition, Trial Fields & Machinery Demonstration, 8th Edition, Fundulea, Calarasi County, Romania, [AgriPlanta](#)

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Agricultural Products

Overview

Agriculture plays an integral and unique role in Romania's economy. Nearly one fifth (19%) of Romanians are employed in agricultural related activities, compared to 4.1% EU member average. Romania's 3.4 million agricultural landowners account for one-third of total agricultural landowners in the EU. However, the average Romanian landholding is 3.7 hectares (HA), considerable smaller than the European Union (EU) average of 15 hectares (HA).

Romania accounts for 11% of the EU area planted with grains and oilseeds. Romania is Europe's largest corn and sunflower producer and is in the top five of EU wheat and soybeans producers. In 2019, production reached 25.5 million metric tons (MMT) of grains and 4.2 MMT of oilseed. In 2020, Romanian crops have been impacted by an inconsistent weather regime, with frost, wide daily temperature swings and a well below-average rainfall level when plants needed most. These unfavorable weather conditions are expected to reflect in a 15% drop in grain and oilseed production and implicitly, a 23% reduction in exports.

Despite its prominence in agricultural commodity production, Romania remains a net food importer. In 2019 food and agricultural imports increased by 4.6%, while exports grew by 5.1% (Table 1). Meat, horticulture, dairy, feed ingredients, and beverages were the major product import categories in 2019, while exports consisted of grains, oilseeds, live animals, and fats.

Table 1: Total Agricultural trade - Romania (2015-2019)

\$ Million	2015	2016	2017	2018	2019
Agricultural Imports	6,710	7,511	8,387	9,015	9,428
Agricultural Exports	6,568	6,825	7,295	7,656	8,047
Agricultural Trade Deficit	-142	-686	-1,092	-1,359	-1,381

Source: Trade Data Monitor (TDM)

The United States is a top-20 supplier of food and agriculture for Romania. Valued at \$163 million in 2019, U.S. goods flow into Romania either directly from the United States (mainly bulk and intermediate) or are transshipped through the other western EU ports of entry in Italy, the Netherlands, Germany, and the United Kingdom. Food preparations, sunflower seeds, soybean meal, distilled spirits, and nuts were the largest categories which account for 65 percent of total U.S. food and agricultural trade to Romania.

Leading Sub-Sectors

Soybeans and Soybean meal

Soybeans remains a minor crop in Romania, despite the generous coupled-support programs allocated by the European Union. Since Romania's soybean production is substantially below the domestic demand, Romania imports a considerable volume of soybeans for crushing, as well as soybean meal (Table 2). Nearly 90% of these imports are sourced from South America and the United States.

Table 2: Soybeans and Soybean Meal Imports, Romania, 2015-2019

\$ Million	2015	2016	2017	2018	2019
Total soybeans and soybean meal from world	292	197	254	346	243
-Of which from the United States	27.3	6	17.5	55.9	21

Sources: Trade Data Monitor; National Institute of Statistics

Distilled Spirits

Romanian consumer demand for distilled spirits expanded again in 2019, with total import growth at 14% in value terms (Table 3). Whiskey imports account for roughly half of total spirits import, followed by liqueurs at 30%, and vodka at 9%. U.S.-origin whiskey accounted for 23% of total whiskey imports in 2019.

Table 3: Distilled imports, Romania, 2015-2019

\$ Million	2015	2016	2017	2018	2019
Total Distilled spirits from world	66.9	86.7	110.3	125.4	136.9
-Of which from the United States	11.4	14.0	17.4	17.7	15.8

Sources: Trade Data Monitor; National Institute of Statistics

Tree Nuts

The United States is among Romania's largest tree nuts suppliers and accounts for a quarter of tree nuts imports in Romania. U.S. tree nut exports to Romania grew from \$9.2 million in 2018 to \$10.5 million in 2019 (Table 4). The market share for U.S.-origin almonds was 60% in 2019. The decrease in walnut exports was offset by the increase in pistachio exports, which reached nearly \$1.5 million in 2019.

Table 4: Tree Nuts imports, Romania, 2015-2019

\$ Million	2015	2016	2017	2018	2019
Total tree nuts imports from world	37.7	28.0	39.5	42.6	41.5
- of which almonds	7.1	8.0	8.5	10.9	10.5
- of which walnuts	18.1	5.6	15.4	15.5	15.0
Total tree nuts imports from the United States	6.7	8.3	9.7	9.2	10.5
- of which almonds	4.1	6.5	6.0	5.7	6.5
- of which walnuts	2.3	1.3	2.6	2.7	1.0

Sources: Trade Data Monitor; National Institute of Statistics

Fish and seafood

Because Romanian fish and seafood production is limited, 75-80% of consumption is met through imports. In 2019, frozen fish and seafood imports fell by 11% from last year (Table 5), while U.S. frozen fish and seafood exports to Romania dropped 13% from 2018. Fish liver and roe accounts for the largest share of U.S. trade, followed by mackerel and Pacific salmon.

Table 5: Frozen Fish Imports, Romania, 2015-2019

\$ Million	2015	2016	2017	2018	2019
Total Frozen Fish from world	59	63	70	83.5	73.9
-Of which from the United States	1.5	1.8	1.3	1.5	1.3

Sources: Trade Data Monitor; National Institute of Statistics

Opportunities

Pet food

Beef

Sweet Potatoes

Fruit and vegetable juices

Sauces

Wines

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<https://gain.fas.usda.gov/#/> (GAIN reports)

Defense

Overview

Starting 2017, Romania has committed to spend at least 2.0% of GDP on defense through 2027. The increased spending level offers a clear opportunity for U.S. defense equipment and service providers. Romania is also looking to modernize its own defense industry through international partnerships.

At present, Romanian MOD is considering the FMS cases as the first option for the acquisition procedures. International firms may be asked to contribute to this goal on volunteer base under FMS cases or under the offset law for all commercial contracts over €2 million (\$2.2 million). In the last years, it was invoked the national security interest, basically security of supply, as a mandatory criterion for awarding contracts and in these cases the industrial cooperation or offset obligations are defined from the beginning. The Romanian Parliament must approve defense acquisitions in excess of €100 million (\$110 million).

Due to the significant government changes in February 2020, the new government is evaluating the needs of the military and is assessing military personnel and previously tendered procurement and projects. Romanian government

declared the defense industry is undergoing changes so *Romarm* will become a separate company, with all the other subsidiaries free to work.

Leading Sub-Sectors

- Tracked and Wheeled-Armored Vehicles;
- Infantry weapons and ammunition;
- Artillery systems and ammunition;
- Missiles systems and rockets;
- Powders, explosives;
- Equipment and subsystems;
- Low and medium altitude radar systems;
- Used U.S. fighter aircraft upgrades;
- Replacement Parts and Service;
- Defense Training and Consultation.

Opportunities

The allocation of resources for the transformation, modernization and endowment of the Romanian Armed Forces capabilities/structures will take place in accordance with the priorities set by the Program of transformation, development and procurement of the Romanian Armed Forces by 2026 and beyond, including the build-up and refilling of stocks. The financial allowances for the modernization of military endowment by means of new acquisition programs, modernization and/or general overhaul of the existing equipment will target the following categories:

- track and wheeled combat vehicles - armored personnel carriers, MBT's, infantry fighting vehicles and their derivatives;
- field artillery systems - MLRS, self-propelled 155 mm and 105 mm howitzers, including ammunition;
- C4ISR systems — integrated communication information systems, brigade and division C2, specific equipment for tactical air controllers' teams (JTAC), satellite communication system (SATCOM), network security systems, IT strategic equipment stocks, software, etc.;
- individual and group armaments and equipment — individual and collective CBRN detection and protection systems, NATO compatible individual weapons and specific equipment, including those for special forces, portable antitank missile systems, advanced individual combat systems;
- engineering and counter IED equipment;
- armored and non-armored all-terrain vehicles;
- multifunctional transport platforms;
- combat and transport aircraft, including specific communication and positioning systems;
- medium and heavy helicopters
- ground based air defense systems - SHORAD/V-SHORAD; air target systems for GBAD training; deployable radio relay modules;

- combat ships - Type 22-R frigates revamping, turbines, antisubmarine tor-pedoes, antipiracy capabilities, multifunctional corvettes, missile fast attack boats, mine hunters, riverine vessels, minelayer and mi-nesweeper, assault boats and other naval platforms;
- support ships - support ships for special forces operations, harbor and maritime tug, riverine tug and logistic support ships;
- static and mobile ISR and electronic countermeasures systems - optical and optoelectronic equipment, ISTAR equipment, radars, ground mobile electronic warfare systems for the Air Force, SCO-MAR system (Black Sea Traffic Control, Surveillance, Observati-on Complex System), CBRN reconnaissance and data processing equipment, maritime situation surveillance equipment, hydro weather systems etc.;
- other goods for the structures' operating support, including integra-ted security systems for military units/objectives, ROLE-2 deployable me-dical facility and security containers.

The Romanian MOD advertises tender and contract opportunities valued over RON 1,000, or approximately \$200, on the **Electronic System of Public Procurement** (<http://e-licitatie.ro/pub>) (SEAP), the Electronic Tendering portal. Access and registration on SEAP is free of charge. For sub-contracting opportunities it is suggested to engage directly with the defense contractor listed in the contract award. Some of the opportunities can also be seen on <https://ted.europa.eu/>.

Current defense procurement priorities: Tracked and Wheeled-Armored Vehicles; Artillery systems; Missiles systems and rockets; Fighter aircraft; Helicopters medium and heavy; Unmanned Aerial Systems; C4ISTAR systems; Satellite communication and surveillance services

Actors involved in the Defense Procurement Process:

1. The contracting authorities of the Romanian MOD (<https://english.mapn.ro/>):

- **Armaments Department** (<http://www.dpa.ro>), MOD acquisitions department;
- **Romtehnica:** (<http://www.romtehnica.com.ro/site/en/>), MOD Export-Import Company. Most of the defense-related procurement contracts and aspects related to transfer of technology, logistic support, technical assistance and personnel training are negotiated and signed on behalf of MOD by Romtehnica. They perform all the commercial and financial activities related to defense upgrading / modernization programs of the Romanian Armed Forces.
- **METRA** (<https://www.acttm.ro/en/>) R&D Agency of the Romanian army. METRA together with the military branches are defining the technical specifications for the tenders organized by Romtehnica

2. Romanian state-owned defense companies:

The National Company Romarm (<http://romarm.ro/>) is the largest local industry player for military equipment, ammunition, and maintenance services. Romarm is under the authority of the Ministry of Economy and Commerce, Defense Industry Department (<http://www.economie.gov.ro/>) and is composed of 15 subsidiaries.

3. The Romanian Office for Offsetting Special Technique Procurements

The Offset Agency's (<http://www.acats.gov.ro/?lang=en>) major responsibilities include:

- Framing procurement policies
- Providing guidance to contracting authorities/entities and tenderers
- Preparing legislation
- Monitoring the implementation of public procurement rules
- Publishing and information sharing
- Maintaining relations with their counterparts

4. The Controllers: ANAP and DNA

The National Agency for Public Procurement (ANAP) (<http://www.anap.gov.ro/>) duties:

- Policy and law making, guidance, helpdesk and operational support, ex-ante control, and monitoring and supervision of the public procurement system;
- Ensuring a coherent and harmonized legal framework in the field of public procurement in line with the obligations derived from the application of the EU Directives;
- Implementing a proper verification system to ensure the unitary application of the legal provisions and procedures by the contracting authorities;
- Ensuring an efficient system of public procurement and supervising its functionality;
- Ensuring a permanent communication channel with the structures within the European Commission, with the correspondent public institutions from the Member States, and with the national bodies of public interest.

The National Anti-Corruption Division (DNA) (<http://www.dna.ro/>):

- Is a prosecutor's office specialized in combating high and medium-level corruption;
- Is set up as a necessary tool in discovering, investigating, and indicting high and medium level of corruption cases;
- Contributes to reducing corruption, giving its support for a democratic society aligned to the European values.

5. The Referees:

The National Council for Solving Complaints (NCSC) (<http://www.cnsc.ro/en/>):

- Is the first administrative body with jurisdiction over public procurement;
- Aims to guarantee the compliance of contracting authorities with the legislation through the resolution of complaints submitted by any person.

The Administrative Litigation Section of the Court of Appeals

Romania's defense industry is set to mature considerably as a result of active support from the government to restructure and modernize some of its sectors, but it remains relatively small compared to its European counterparts

Other relevant organizations:

National Agency for Controlling Exports of Strategic Products (ANCEX): www.ancex.ro

Association of Romanian Defense Producers (PATROMIL): www.patromil.ro

Trade Events:

Black Sea Defense and Aerospace (BSDA) Trade Show: (<http://www.bsda.ro>), organized in Bucharest, every two years, with the support of the U.S. Department of Commerce. The 8th edition of this major Defense Trade Show in the region is planned to be organized in October 14-16, 2020.

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Energy

Overview

The energy sector is a priority for Romania's economy and security policy. The country is slowly shifting from coal to gas, nuclear, hydro, and other renewable energies.

On April 23, 2020 the Ministry of Economy, Energy and Business Environment submitted for public debate the Environmental Appraisal for the “National Integrated Plan for Energy and Climate Change 2021-2030” PNIESC. <http://www.economie.gov.ro/transparenta-decizionala/proiecte-in-dezbatere-publica>

There are five national objectives taken under consideration in PNIESC, with estimated targets for 2030 – decarbonization (decrease of GHG emissions with 40%; consumption from renewable energy sources – 32%), energy efficiency (improvement by 32.5%), energy security, energy domestic market and research, innovation and competitiveness (interconnection of energy market – 15%). http://economie.gov.ro/images/transparenta-decizionala/PNIESC%202020/PNIESC_SEA_23.04.2020.pdf

To have a broader image of the market, according to PNIESC, following forecasts have resulted after applying the modelling scenarios to 2030 level: estimated population will reach 18.4 million; GDP - approx. 28% increase; constructions – 5% decrease; services and agriculture – 35.7% increase; energy – 11.5% increase; industry – 32.4% increase.

Generation of Energy

The main electricity generation companies are state-owned: Cernavoda nuclear power plant (2x700 MW installed capacity for units 1+2, ensuring approximately 20% of the total energy mix - <https://www.nuclearelectrica.ro/cne/en/>), 208 hydropower and pumping plants – 6.444 GW installed capacity ensuring more than 25% of energy mix (<http://transelectrica.ro/web/tel/home>; <https://www.hidroelectrica.ro/article/20>), and 10 coal-fired power plants with installed functional capacity of approx. 5 GW (Ministry of Energy, 2018).

Transmission of Energy

The electricity transmission system in Romania and the interconnection system with its neighboring countries is managed and operated by the majority state-owned Transelectrica SA company. They also manage the market operation, the grid and market infrastructure development, and the security of the national energy transmission system. (<http://www.transelectrica.ro/en/web/tel/home>).

Supply & Distribution of Energy

By end of 2019 four major electricity suppliers were active in Romania (Electrica, ENEL, E.On, CEZ) covering different regions.

In May 2020 there were 136 licensed electricity suppliers and 117 licensed gas suppliers, out of which 27 were licensed for both (<http://licitatii.furnizorenergie.ro/furnizori/>).

In 2018, 9.448 million users were connected to the power grids through the eight licensed distribution system operators (DSO) (54.72% in urban areas) (DSOs: e-Distributie Muntenia, e-Distributie Banat, e-Distributie Dobrogea, Distribuție Energie Oltenia, Delgaz Grid, SDEE Muntenia Nord, SDEE Transilvania Nord, SDEE Transilvania Sud). ([Raport national 2018](#) National Agency for Energy Regulation ANRE).

Leading Sub-Sectors

Oil & Gas

Romania is the largest producer of oil and gas (O&G) in Central and Eastern Europe and has the potential to dominate the European O&G market as a result of discoveries in the Black Sea, and after BREXIT.

Onshore natural oil & gas production in Romania is provided by traditional producers such as Romgaz SA, OMV Petrom SA, Amromco Energy SRL, Mazarine Energy Romania, Raffles Energy SRL, Stratum Energy Romania.

Main offshore title-holders in the Black Sea are Black Sea Oil & Gas, ExxonMobil, Lukoil, OMV Petrom, Petromar Resources, Romgaz SA ([Harta concesiunilor offshore Romania - Rbsta.ro](#); <http://rbsta.ro/en/>)

LNG by the Black Sea

To date, the Black Sea has no LNG terminal. Romania had plans to build the LNG terminal at Constanta (land based). Since Romania's priority is to complete the BRUA pipeline and start the gas production in the Black Sea, the Constanta LNG project might have a potential start-up in 2026, still awaiting private investment. <https://www.energyworldmag.com/black-sea-lng-dreams-vs-reality/>

Romania has extremely large potential for LNG developments in the Black Sea. With infrastructural investments and the development of competitive market mechanisms, Romania can truly succeed in becoming a major European LNG supplier and transport hub.

Nuclear Sector

Nuclear energy will continue to play an important role in the energy mix for decades to come.

Romania currently has one nuclear power plant, Cernavodă, with two operational reactors and two more under construction (pressurized heavy water reactors of CANDU 6 design - CANadian Deuterium Uranium), each with a design gross output of 706.5 MWe. The two reactors in operation supply approximately 20% of total energy production.

Coal Sector

In first half of 2019, the estimated lignite resources amounted to 690 mln. Tons. https://www.economica.net/importurile-de-carbune-au-crescut-cu-aproape-50prc-in-primele-cinci-luni-productia-de-carbune-a-scazut-cu-2-4prc-ins_171619.html).

The role of traditional fuel such as oil, natural gas, coal, and uranium in the energy mix is currently being reconsidered / renegotiated according to European Union new context and trends (EU Green Deal). Romania produces pit coal and lignite and maintains several coal-fired powerplants – all needing upgrades in the immediate future in order to comply with European Commission guidelines.

Renewable Energy Sector

Romania is seeking to derive more of its energy needs from renewable sources. Romania is seen as a fast-growing market for wind energy in the Southeast European region, with installed wind generation capacity skyrocketing from as little as 7 MW in 2007 to 3,029 MW in 2019 - <https://newsenergy.ro/productia-eoliana-masiva-duce-exporturile-de-electricitate-aproape-de-maxim/>.

In April 2020, approximately 50% of generated power had renewable resources: hydro power – above 35%, Wind above 10%, photo-voltaic – above 2%, and biomass – above 0.8% (www.transelectrica.ro).

Opportunities

Power production & distribution

American companies can find opportunities (equipment, know-how, technologies, design and construction, installation, upgrading, maintenance, and repairs) in electrical power systems, products and services related to energy efficiency, smart grid, power distribution, power and gas storage, and refurbishment/construction of power generation capacities.

O&G

According to the national gas transport system operator Transgaz's Investment and Development Plan 2018-2027, there are several strategic investment projects to be run:

- BRUA (Bulgaria-Romania-Hungary-Austria pipeline) planned to be finalized by end of 2020; development of South Gas Transportation Corridor (designed to capture the Black Sea shore to-be-produced gas;

- development of SNT's capabilities to capture offshore gas; gas interconnector with Serbia; modernization of Negru Voda 1 and Isaccea 1 compressor stations. (<https://newsweek.ro/economic/ion-sterian-directorul-general-transgaz-sa-brua-nu-este-o-autostrada-fara-descarcari>)

Onshore and Black Sea offshore fields development, operation, and maintenance: the discovery of new oil and gas reserves in the Black Sea basin offer opportunities for companies with expertise in oil drilling, transmission, refining, and retrofitting existing facilities.

Nuclear

Cernavoda Nuclear Plant – maintenance & refurbishment for active reactors 1 & 2; construction of two new reactors (2 × 700 MW; total estimated value approximately \$7 billion). In June 2020, the Romanian Government canceled the MOU signed with China-based CGN.

Trade events:

- Romania Petroleum Club events: http://www.petroleumclub.ro/index_en.html
- Romania EnergyNomics Energy events 2020: <http://www.energynomics.ro/en>
- The World Energy Committee - Central & Eastern Europe Energy Forum FOREN 2020 - <http://cnr-cme.ro/en/foren-2020-en/>
- [BLACK SEA OIL & GAS](#) - October 8-9, 2020, Bucharest.
- [RoEnergy Bucharest](#) - September 16-18, 2020, Bucharest
- [IEAS International Electric & Automation Show](#)

Other relevant organizations:

- [National Regulatory Agency for Energy](#)
- [National Agency for Mineral Resources](#)
- [Electrica](#)
- [Romania Production of crude oil, 2018-2020](#)
- [Romania Crude Oil Production | 1994-2020 Data](#)
- [Romanian Petroleum Exploration and Production Companies Association](#)
- [Romania Primary coal production, 1973-2019](#)
- [Transgaz](#)
- [Romgaz](#)
- [Nuclear Agency and for Radioactive Waste](#)
- [Romania Energy Center \(ROEC\)](#)
- [Romanian Association of Drilling Contractors](#)
- Romanian Association of Petroleum: <http://www.arpetrol.ro/>
- Employers Federation of Companies Associations in Energy Utilities: [ACUE](#)
- Romanian Photovoltaic Industry Association: [RPIA | Romanian Photovoltaic Industry Association: Make the ...](#)
- Romanian Wind Energy Association: <http://rwea.ro/>
- Romanian Association for Biomass and Biogas: [arbio.ro // web page](http://arbio.ro)
- EnergyNomics <http://www.energynomics.ro>
- [A European Green Deal | European Commission](#)

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ICT (Information & Communications Technology)

Overview

Romania's IT market is one of the fastest growing markets in Central and Eastern Europe. The IT market is forecasted to grow at 3.1% over 2017-2021 to a value of RON 9.9 billion (\$2.47 billion) in 2021.

At the end of 2019 the local IT market was estimated at \$6.4 billion. As of a study conducted by ANIS (*Asociația Patronală a Industriei de Software și Servicii*) 80% of the value mentioned before was represented by exports.

Half of the total revenues (\$2.9 billion) came from big companies with over 250 employees followed by: small companies (up to 50 employees) that contribute with \$2.2 billion and mid-market companies (50-249 employees) which bring \$1.3 billion.

The countries' center point for IT development is *Bucharest* holding 63% of revenues, also noting other regions like: The North-West with 18%; The West with 5%; Central part with 6% and The North-East with 5%.

Cybersecurity is a key component of the ICT sector in Romania. According to the National Strategy on Digital Agenda for Romania 2020 (ec.europa.eu/digital-single-market/en/country-information-romania), fully implementing the strategic vision of the ICT will require a total investment of around €2.4 billion (\$2.64 billion). The National Strategy for the Digital Agenda defines four areas for action. Notably, the first aims to increase efficiency and reduce costs in the public sector by investing in e-Government, Interoperability, Cybersecurity, Cloud Computing, and Social Media.

In 2019, the annual European Cyber Security Challenge, the most important cybersecurity event of the year, has been organized in Romania by the Cyberint Center of the Romanian Intelligence Service, the national CERT and the National Association for Information Systems Security (ANSSI). During this event, the Romanian National Team has been crowned European Champion.

<http://anssi.ro/2019/10/21/romania-campioana-europei-la-securitate-cibernetica-competitia-in-imagini/>

Software and IT Services in Romania

The Romanian market of software in IT services has been growing substantially at a high rate and is likely to become the most important contributor to the local GDP in the medium to long run.

Out of the market value of \$6.4 billion estimated by ANIS at the end of 2019:

- \$5.2 billion come from the Software & IT Services sector
- \$1.2 billion from various activities on the IT market

Research and Development

Romania has had an important tradition in research, development, and innovation in the technical field. The technical expertise and lower labor costs of engineers have helped attract interesting and more significant projects towards the local industry. Industry clusters can be found in major university cities: Bucharest, Cluj-Napoca, Iasi, Timisoara, Craiova, and Brasov.

Market Demand

The Software and IT Services market is worth around 5 billion euros (\$5.5bn) and is estimated to grow by around 15% each year until 2021. The structure of the domestic market is:

- Major buyers: Industry (39%), finance (20%), services and consumers (16%)
- Most important growth rates: finance (26%), services and consumers, telecom, industry, retail
- Services 64% vs. Product 36%

The cybersecurity market in Romania is still emerging. Romania boasts the highest rate of per capita technology workers in Europe. However, the Romanian cybersecurity market is open to foreign players, too, with U.S. suppliers well represented. Market entrants should be aware of the various applicable EU and Romanian market regulations.

Market Entry

Selling through an established local Romanian channel partner is the lowest risk market entry strategy for most U.S. manufacturers. However, when selling to Romanian government departments, it may be necessary to establish a direct business presence in Romania, especially when competing for projects related to national security. The cooperation with ANSSI (www.anssi.ro), the most important local association in cybersecurity, offers U.S. companies interested in the Romanian market the best approach in finding partners, information about the market, and business opportunities with the public sector.

Special incentives for expenses related to research and development activities

Companies can benefit from an additional deduction of 50% from the eligible expenses for research and development. Moreover, accelerated depreciation may be applied for devices and equipment used in research and development activity. For large investments, state aid schemes or individual aid may be available.

Laws, rules, and regulations on the use of Internet

Romania has laws on electronic commerce, online copyrights, electronic signature, electronic payment, online advertising, personal data protection, cybercrime, internet pornography, and electronic communications.

The government also developed some draft laws for minimum security conditions of digital systems for the Public Administration and national electronic records.

Income tax exemption for the IT employees providing software development activities

Romania doesn't tax the incomes of IT employees providing software development activities; Thus, Romania is one of the most competitive markets for outsourcing with an average labor cost of \$1,123 for a net salary of \$720.

Leading Sub-Sectors

There are important opportunities for expertise, products, and services, addressing three fundamental pillars:

Regulate:

- Incident response and disaster recovery
- Software reporting, forensic tools, and security information team
- Use of certified software products and technologies, under the interoperability umbrella

Facilitate:

- Validation of security environment
- Emergency response team working with private/public sector teams, shared intelligence

Collaborate:

- Research on cyber warfare
- Exchanging information, forums, and communities
- Education

Opportunities

One of the top priorities of the Romanian government's IT strategy is the Digitalization of the Public Sector, with the implementation of the associated cybersecurity programs.

The ADR (*Autoritatea de Digitalizare a României*) started in 2020 a strong rebranding campaign and entered in function with all the attributions of the ex MCSI regarding informational technology, the informational society and interoperability. These are structures that regulate domains such as Internet Banking or Uber legal notices. Their current organizational chart includes a new direction for digital transformation which concentrates future projects of the ADR for the informational development of Romania. (<https://www.aadr.ro/>)

As of June 2019, was appointed the Chief Information Officer of the Romanian Government, responsible of supervising the well-functioning of the national level strategy regarding the Digital Agenda of Romania.

The current Covid-19 crisis quickly made universities and business move towards remote working and learning for the remainder of the school year. Despite the disruption, this event is seen as a critical opportunity for the e-Government. Companies in this sector hope this can become a persistent change.

The health sector will become an important buyer of cybersecurity services due to the large volumes of personal data that are managed by the health system. Large telemedicine projects are currently under discussion and they should have an important cybersecurity component. However, certain steps need to be taken in order to implement telemedicine projects. The most important part is the expected further detailing of the rules for the procedures laid down by the implementation of law 362/2018. Published at 12th of January 2019 it sets the main goal of assuring a common high level of network and informational system security. This law is addressed, among other sectors, to suppliers of medical services (public or private).

Opportunities also exist in the private sector to supply organizations of all sizes from SMEs to large corporations. Currently, enterprise application is noticeably below the EU-28 average. Thus, there is high potential for companies to target enterprises by offering low cost solutions. The most substantial opportunities can be found in organizations for which IT security is critical:

- Financial, banking, and insurance sectors
- Critical infrastructure networks (energy and utilities)
- Telecommunications (Telco)
- Utilities and Energy Transport

Cloud-related solutions have large potential in the short- and mid-term. The GOR is considering establishing a cloud agency, “National Agency of E-Services and Cloud (ANSEC),” within a future public-private partnership (PPP), eventually consolidating all the public administrations’ IT platforms.

Trade Events (due to the Covid-19 crisis it is better to contact the organizers for further details):

Tech Week: <https://myconnector.ro/details/tech-expo--bucharest-tech-week-2020/155>

Dev Talks: <https://www.devtalks.ro/bucharest/>

Voxxed Days Fronted Bucharest: <https://eventil.com/events/voxxed-days-frontend-bucharest-2020-sheraton-hotel-bucharest>

RoOUG ConTech: <https://eventil.com/events/rooug-contech-2020>
<https://codecamp.ro/bucharest>

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Customs, Regulations and Standards

Trade Barriers

For information on existing trade barriers, please see the National Trade Estimate Report on Foreign Trade Barriers, published by USTR and available through the following website: <https://ustr.gov/sites/default/files/files/Press/Reports/2018%20National%20Trade%20Estimate%20Report.pdf>

Information on agricultural trade barriers can be found at the following website: www.usda-eu.org

Import Tariffs

Since January 1st, 2007, when Romania became an EU member state, it has applied the common EU tariff system. U.S. exporters should consult “The Integrated Tariff of the Community,” referred to as TARIC (Tarif Intégré de la Communauté), to identify the various rules which apply to specific products being imported into the customs territory of the EU. To determine if a license is required for a particular product, check the TARIC.

The TARIC can be searched by country of origin, Harmonized System (HS) Code, and product description on the interactive website of the Directorate-General for Taxation and the Customs Union. The online TARIC is updated daily.

www.ec.europa.eu/taxation_customs/customs/customs_duties/tariff_aspects/customs_tariff/index_en.html

The U.S. and the EC are signatories to the World Trade Organization’s (WTO) Government Procurement Agreement (GPA), which grants access to most public supplies and services and some work contracts published by national procurement authorities of the countries that are parties to the Agreement. In practice, this means that U.S.-based companies are eligible to bid on supplies and services contracts from European public contracting authorities above the agreed thresholds.

https://ec.europa.eu/commission/index_en

www.anap.gov.ro; www.e-licitatie.ro

Import licensing requirements: http://europa.eu/youreurope/citizens/work/professional-qualifications/recognition-of-professional-qualifications/index_ro.htm

Certain products are subject to anti-dumping and countervailing duty measures when imported into the EU, as follows (HS codes mean the six-digit codes in the Nomenclature to the Harmonized System):

HS codes	Type of charges applicable upon import into the EU of U.S. originating products (AD = antidumping charges, C = countervailing charge)
1516 20	AD & C
1518 00	C
2207 10	AD
2207 20	AD
2208 90	AD
2210 12	AD
3814 00	AD
3820 00	AD
3824 99	AD

To report existing or new trade barriers and get assistance in removing them, contact either the Trade Compliance Center at <https://tcc.export.gov> or the U.S. Mission to the European Union at www.export.gov/europeanunion

Import Requirements and Documentation

The TARIC, described above, is available to help determine if a license is required for a particular product. Moreover, the EC maintains an export helpdesk with information on import restrictions of various products: <https://trade.ec.europa.eu/tradehelp>

The Single Administrative Document

The official model for written declarations to customs is the Single Administrative Document (SAD). The SAD describes goods and their movement around the world and is essential for trade outside the EU, or of non-EU goods. Goods brought into the EU customs territory are, from the time of their entry, subject to customs supervision until customs formalities are completed. Goods are covered by a Summary Declaration, which is filed once the items have been presented to customs officials. The customs authorities may, however, allow a period for filing the Declaration which cannot be extended beyond the first working day following the day on which the goods are presented to customs.

More information on the SAD can be found at:

www.ec.europa.eu/taxation_customs/customs/procedural_aspects/general/sad/index_en.htm

Economic Operator Registration and Identification (EORI)

'Economic Operators Registration and Identification number' (EORI number) is an identification number, unique in the customs territory of the Union, assigned by a customs authority to an economic operator or to another person in order to register him for customs purposes.

Since July 1st, 2009, all companies established outside of the EU are required to have an EORI number if they wish to lodge a customs declaration on the customs territory of the EU or an Entry/Exit Summary declaration. All U.S. companies should use this number in relation with EU customs. Along with the application for an EORI number, the following documents must also be submitted:

1. the registration document issued by the competent authority of the third country in photocopy;
2. the VAT registration certificate(s) issued by the Competent Authority in the Member States of the European Union, where applicable.
3. documents showing the address of the registered office or the current fiscal domicile, where applicable, if it does not correspond to the one entered in the documents mentioned above issued by the responsible authorities within the Trade registry or by the Chambers of Commerce from the European Union or from the third country, in original form or a legalized copy, no later than 6 months before the date of submission of the application;
4. a photocopy of the valid passport or other travel document in the case of natural persons.

In specific cases, economic operators and other persons which are not established in the customs territory of the Union shall register with the customs authorities responsible for the place where they first lodge a declaration or apply for a decision.

Once a company has received an EORI number, it can use it in relation with the EU customs authorities to any of the 28 EU member states. There is no single format for the EORI number. Once an operator holds an EORI number, he can request the Authorized Economic Operator (AEO) status, which can give quicker access to certain simplified customs procedures.

More information about the EORI number can be found at:

www.ec.europa.eu/taxation_customs/dds2/eos/eori_home.jsp?Lang=en

U.S. - EU Mutual Recognition Arrangement (MRA)

Since 1997, the United States and the EU have had an [agreement](#) on customs cooperation and mutual assistance in customs matters. For additional information, please see: www.ec.europa.eu/taxation_customs/customs/policy_issues/international_customs_agreements/usa/index_en.htm

In 2012, the United States and the EU signed a new MRA aimed at matching procedures to associate one another's customs identification numbers. The U.S. customs identification numbers (MID) are recognized by customs authorities in the EU, as per Implementing Regulation 58/2013 (which amends EU Regulation 2454/93 cited above): www.cbp.gov/newsroom/national-media-release/2013-02-08-050000/eu-us-fully-implement-mutual-recognition-decision

Revised AEO guidelines (published March 2016):

http://ec.europa.eu/taxation_customs/resources/documents/customs/policy_issues/customs_security/ao_guidelines_en.pdf

Batteries

The EU Battery Directive adopted in 2006 ([Directive 2006/66](#)) applied to all batteries and accumulators placed on the EU market including automotive, industrial, and portable batteries. The Directive seeks to protect the environment by restricting the sale of batteries and accumulators that contain mercury or cadmium (with an exemption for emergency and alarm systems, medical equipment, and cordless power tools) and by promoting a high level of collection and recycling. It places the responsibility on producers to finance the costs associated with the collection, treatment, and recycling of used batteries and accumulators. The Directive also includes provisions on the labeling of batteries and their removability from equipment. The EC publishes an FAQ document – last updated in May 2014 - to assist interested parties in interpreting its provisions. For more information, see our market research report:

<http://www.export.gov/europeanunion/marketresearch/index.asp>

Registration, Evaluation and Authorization and Restriction of Chemicals (REACH)

REACH applies to all chemicals manufactured in or imported into the EU in quantities exceeding one metric ton. The regulation came into force in 2007 (Regulation 1907/2006) and touches virtually every industrial sector, from automobiles to textiles. REACH imposes a registration requirement on all entities affected by the one-metric-ton criteria by May 31st, 2018. The European Chemicals Agency (ECHA) is the agency responsible for receiving and ensuring the completeness of such registrations: <https://echa.europa.eu>

U.S. companies without a presence in Europe need to rely on an EU-based partner, typically either an importer or a specialized ‘Only Representative.’

In addition to the registration requirement, U.S. exporters should carefully review the REACH ‘Candidate List’ of Substances of Very High Concern (SVHCs) and the ‘Authorization List’. Under certain conditions, substances on the Candidate List are subject to communication requirements prior to their export to the EU. Companies seeking to export chemicals on the ‘Authorization List’ will require an authorization.

The Candidate List can be found at: <http://echa.europa.eu/web/guest/candidate-list-table>

The Authorization List is available at: <https://echa.europa.eu/information-on-chemicals>

Waste Electrical and Electronic Equipment (WEEE) Directive

EU rules on WEEE, while not requiring specific customs or import paperwork, may entail a financial obligation for U.S. exporters. The Directive requires U.S. exporters to register relevant products with a national WEEE authority or arrange for this to be done by a local partner. The WEEE Directive was revised on July 4th, 2012, and the scope of products covered was expanded to include all electrical and electronic equipment. Romania's initial obligation was to implement the Directive by February 14th, 2014; however, it did not comply, and, as a result, the EC started a preliminary procedure against Romania on March 31st, 2014 and applied significant fines until the WEEE Directive

was finally implemented in 2015. The revised scope will apply starting on August 14th, 2018, with a phase-in period that has already begun. U.S. exporters seeking more information on the WEEE Directive should visit:

http://ec.europa.eu/environment/waste/weee/index_en.htm

This Directive is designed to tackle the rapidly increasing waste stream of electrical and electronic equipment and complements EU measures on landfills and waste incineration. Increased recycling of electrical and electronic equipment, in accordance with the directive requirements, limits the total quantity of waste going to final disposal. This directive affects the following product categories:

- Large and small household appliances
- Consumer equipment
- Lighting equipment
- IT and Telecommunications equipment
- Electrical and Electronic Tools
- Toys and Sports equipment
- Medical Devices
- Monitoring and control equipment
- Automatic dispensers

The symbol indicating that a given product is not to be discarded with normal household waste must be displayed on all products that fall under this directive. It is a required mark on batteries. In instances where this symbol cannot be displayed on the equipment itself, it should be included on the packaging.

Directive 2012/19/EU is available online at:

http://ec.europa.eu/environment/waste/weee/legis_en.htm

Restriction on Hazardous Substances (RoHS)

The RoHS Directive imposes restrictions on the use of certain chemicals in electrical and electronic equipment. It does not require specific customs or import paperwork; however, manufacturers must self-certify that their products are compliant and affix a “CE” Mark. The 2011 revisions to the RoHS Directive significantly expanded the scope of covered products. Generally, U.S. exporters have until July 22nd, 2019 to bring products into compliance that were once outside the scope. U.S. exporters seeking more information on the RoHS Directive should visit: www.export.gov/europeanunion/weeerohs/index.asp

Cosmetics Regulation

The EU legislation harmonizing the regulation of cosmetic products has applied since July 11th, 2013. The most controversial element of the regulation was the introduction of an EU-wide system for the notification of cosmetic products to the EC prior to their placement on the EU market. Only an EU-established entity may submit such a notification. Therefore, U.S. exporters must either retain a “Responsible Person” to act on their behalf, rely on their exporter, or establish a presence in the EU.

For more general information, see: https://ec.europa.eu/growth/sectors/cosmetics_en

Agricultural Documentation

Phytosanitary certificates are required for most planting seeds, fresh fruits, vegetables, and other plant materials. Sanitary Certificates: For commodities composed of animal products or by-products, EU countries require that shipments be accompanied by a certificate issued by the competent authority of the exporting country. This applies regardless of whether the product is for human consumption, for pharmaceutical use, or strictly for non-human use (e.g., veterinary biologicals, animal feeds, fertilizers, research). The vast majority of these certificates are uniform throughout the EU, but the harmonization process is still ongoing. Most recently, certificates for a series of highly

processed products including chondroitin sulphate, hyaluronic acid, hydrolyzed cartilage products, chitosan, glucosamine, rennet, isinglass, and amino acids are being harmonized. Until harmonization is finalized, certain member state import requirements continue to apply. In addition to the legally required EU health certificates, a number of other certificates are used in international trade. These certificates, which may also be harmonized in EU legislation, certify origin for customs purposes and certain quality traits.

Up-to-date information on harmonized import requirements can be found at the following website: <http://www.usda-eu.org/trade-with-the-eu/eu-import-rules/certification/fairs-export-certificate-report>

Sanitary Certificates (Fisheries)

In April 2006, the EU declared the U.S. seafood inspection system as equivalent to the European one. Consequently, a specific public health certificate must accompany U.S. seafood shipments. The U.S. fishery product sanitary certificate is a combination of Commission Decision 2006/199/EC for the public health attestation and Regulation 1012/2012 for the general template and animal health attestation. Unlike for fishery products, the U.S. shellfish sanitation system is not equivalent to that of the EU. The EU and the United States are currently negotiating a veterinary equivalency agreement on shellfish. In the meantime, the EU still has a ban in place (since July 1st, 2010) that prohibits the import of U.S. bivalve mollusks, in whatever form, into EU territory. This ban does not apply to wild roe-off scallops.

Since June 2009, the only U.S. competent authority for issuing sanitary certificates for fishery and aquaculture products is the U.S. Department of Commerce National Marine Fisheries Service (NOAA-NMFS). In addition to sanitary certificates, all third countries wishing to export fishery products to the EU are requested to provide a catch certificate. This catch certificate certifies that the products in question have been caught legally.

For detailed information on import documentation for seafood, please contact the NOAA Fisheries office at the U.S. Mission to the EU (stephane.vrignaud@trade.gov) or visit the following NOAA-dedicated web site:

<https://www.fisheries.noaa.gov/national/seafood-commerce-certification/export-certification-european-union>

Labeling and Marking Requirements

Summary

There is a broad array of EU legislation pertaining to the marking, labeling, and packaging of products, with neither an “umbrella” law covering all goods nor any central directory containing information on marking, labeling, and packaging requirements. This overview is meant to provide the reader with a general introduction to the multitude of marking, labeling, and packaging requirements or marketing tools to be found in the EU.

This text is focused primarily on the mandatory marks and labels seen most often on consumer products and packaging, which are typically related to public safety, health, and/or environmental concerns. It also includes a brief overview of a few mandatory packaging requirements, as well as more common voluntary marks and/or labels used in EU markets.

It is also important to distinguish between marks and labels. A mark is a symbol and/or pictogram that appears on a product or its respective packaging. These range in scope from signs of danger to indications of methods of proper recycling and disposal. The intention of such marks is to provide market surveillance authorities, importers, distributors, and end-users with information concerning safety, health, energy efficiency, and/or environmental issues relating to a product. Labels, on the other hand, appear in the form of written text or numerical statements, which may be required but are not necessarily universally recognizable. Labels typically indicate more specific information about a product, such as measurements, or an indication of materials that may be found in the product (such as in textiles or batteries).

Mandatory Marks & Labels

- Textiles

- Cosmetics
- Dangerous Substances
- Explosive Atmosphere
- Electrical & Electronic Equipment
- Household Appliances
- Pricing
- Footwear
- Units of Measurement
- Automotive
- Tire labeling
- Maritime
- Materials in Contact with Food
- Noise Emissions
- Wood packaging
- Energy Efficiency

Voluntary Marks and Labels

- Cup/Fork Symbol (material in contact with food)
- Eco-Label
- Green Dot
- Energy Star
- 'e' Mark
- Recycling Marks

Mandatory Marks and Labels

CE Marking

This is probably the most widely used and recognized marking required by the EU. Found in all “New Approach” legislation with a few exceptions, the CE marking demonstrates that a product meets all essential requirements (typically related to safety, health, energy efficiency, and/or environmental concerns). CE marking is required for the following products/product families:

- Cableway installations
- Civil explosives
- Construction products
- Electrical/electronic products
- Electromagnetic compatibility
- Low voltage
- Restriction of Hazardous Substances
- Energy efficiency
- Equipment and protective systems in potentially explosive atmospheres (ATEX)
- Gas appliances
- Hot water boilers
- Lifts
- Machinery
- Medical devices
- Non-automatic weighing instruments
- Personal protective equipment

- Pressure equipment
- Radio equipment
- Recreational crafts
- Refrigeration appliances
- Simple pressure vessels
- Toys

While other non-EU standards may be used to demonstrate a product's compliance with the applicable directive(s), the manufacturer will have to provide detailed information regarding the compliance process. An array of standardized safety warning symbols/pictograms may also be applicable to each of the above product categories.

In February 2014, to align product harmonization legislation with the provisions of the NLF (most notably Decision 768/2008), the EU adopted an "Alignment Package" consisting of eight revised CE marking directives. These newly aligned directives will be applicable in 2016.

For more information, visit:

http://ec.europa.eu/growth/single-market/ce-marking/index_en.htm

http://ec.europa.eu/growth/single-market/european-standards/harmonised-standards/index_en.htm

http://ec.europa.eu/growth/single-market/goods/new-legislative-framework/index_en.htm

Energy Labeling

Directive 2010/30/EU “on the indication by labeling and standard product information of the consumption of energy and other resources by energy-related products” sets a framework for the adoption of product-specific directives on the proper energy efficiency labeling for each concerned product. This 2010 Directive broadens the energy labeling scope substantially.

Suppliers are to supply free-of-charge labels or product fiches containing information about consumption of electric or other energy sources to their dealers. Dealers display labels in a visible and legible way and make the fiche available in product brochures or other literature.

For more information:

<http://ec.europa.eu/energy/en/topics/energy-efficiency/energy-efficient-products>

Directive 2010/30/EU:

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2010:153:0001:0012:EN:PDF>

Devices for Use in Potentially Explosive Atmosphere (ATEX)

In addition to applying a CE marking for products falling under the ATEX Directive (2014/34/EC), it is necessary to display the Ex mark, which is a specific marking of explosion protection. Located next to the ‘Ex’ mark will be a symbol designating the product group or category as specified in the directive.

The revised ATEX Directive (2014/34/EC) was adopted in February 2014 as part of the New Legislative Framework alignment package. It replaced the existing directive and became applicable on April 20th, 2016.

For more information:

http://ec.europa.eu/growth/sectors/mechanical-engineering/atex/index_en.htm

Directive 2014/34/EU :

<http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014L0034&from=EN>

Noise Emission of Outdoor Equipment

Machines used outdoors are subject to CE marking requirements. Noise emission levels are covered separately. The mandatory label specifies noise emission levels.

For more information:

http://ec.europa.eu/growth/sectors/mechanical-engineering/noise-emissions/index_en.htm

Maritime

The “steering wheel” mark is the equivalent of CE marking for marine equipment. It applies to equipment for use on board any new EU ship, wherever the ship is situated at the time of construction, and to equipment placed on board existing EU ships, whether for the first time or to replace equipment already carried on board. It does not apply to equipment already on board on the date on which the Directive entered into force in 1997. The Directive applies to the following equipment categories:

- Life-saving appliances
- Marine pollution prevention
- Fire protection
- Navigation equipment
- Radio-communication equipment

A revised Marine Equipment Directive (2014/90/EC) was adopted in July 2014 and will be applicable on September 18th, 2016.

Directive 96/98/EC on Marine Equipment is available online at:

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CONSLEG:1996L0098:20101210:EN:PDF>

Directive 2014/90/EC is available online at:

http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2014.257.01.0146.01.ENG

Textiles

Textile products must be labeled or marked whenever they are put onto the market for production or commercial purposes (sale). The names, descriptions, and details of a textile’s fiber content must be indicated on products available to consumers. Except for trademarks or the name of the undertaking, information other than that required by the Directive must be listed separately. Romania requires labels to be in Romanian, English or all languages.

For more information access:

http://ec.europa.eu/growth/sectors/fashion/textiles-clothing/legislation/index_en.htm

Footwear

Labels must convey information relating to the upper, the lining and insole sock, and the outer-sole of the footwear article. The information must be conveyed by means of approved pictograms or textual information, as defined by the Directive.

The label must be legible, firmly secured and accessible, and the manufacturer or his authorized agent established in the Community is responsible for supplying the label and for the accuracy of the information contained therein. Only the information provided for in the Directive need be supplied. There are no restrictions preventing additional information from being included on the label.

For more information: http://ec.europa.eu/growth/sectors/fashion/footwear/index_en.htm

Cosmetics

Containers and/or packaging (in certain cases) must bear, in indelible, easily legible and visible characters, the following:

- The name, trade name and address, or registered office of the manufacturer or person responsible for marketing the cosmetic product within the Community
- The nominal contents at the time of packaging (by weight or volume)
- The date of minimum durability indicated by "Best before end," for products with a minimum durability of less than 30 months
- The period after opening during which the product can be used without harm to the consumer, for products with a minimum durability of less than 30 months
- Precautions for use
- The batch number or product reference, for identification
- The product's function

If it is impossible for practical reasons to print on the packaging all the conditions of use and warnings, an enclosed leaflet, label or tape must be provided.

Member States are to draw up procedures for providing the information set out above in the case of cosmetic products that have not been pre-packaged. The product function and list of ingredients also have to appear on the container or packaging. Romania requires that the information on the label be in Romanian.

Regarding the labeling of nanomaterials present in cosmetics, the Cosmetics regulation indicates that from July 2013 "all ingredients present in the form of nanomaterials shall be clearly indicated in the list of ingredients" and that "the names of such ingredients shall be followed by the word 'Nano' in brackets."

Regulation 1223/2009 is available online at:

http://ec.europa.eu/growth/sectors/cosmetics/legislation/index_en.htm

Dangerous Substances

The labeling of dangerous substances must indicate the following:

- The name of the substance
- The origin of the substance (the name and address of the manufacturer or distributor)
- The danger symbol and an indication of danger involved in the use of the substance
- A reference to the special risks arising from such dangers.

The dimensions of the label must not be less than a standard A8 sheet (52 x 74mm), and each symbol must cover at least one-tenth of the label's surface area. Romania requires that the labeling of dangerous substances be in Romanian. Where the packaging is too small, the labeling may be affixed in some other manner. The packaging of products considered dangerous which are neither explosive nor toxic may go unlabeled if the product contains such small quantities of dangerous substances that there is no danger to users.

Symbols must be employed if the substance can be defined as any one of the following: explosive, oxidizer, flammable, harmful, toxic irritant, corrosive, or harmful to environment. Containers of hazardous substances should include, in addition to the appropriate symbols, a raised triangle to alert the vision-impaired to their contents. Note that this directive has undergone numerous amendments relating, among other things, to the marking and labeling of additional substances. Accordingly, it is advisable to consult all literature.

Regulation 1272/2008 introduces new classification, labeling, and packaging requirements for chemicals based on the Worldwide United Nation's Globally Harmonized System (UN GHS). It replaced the Dangerous Substances Directive (65/548/EC) and the Dangerous Preparations Directive (1999/45/EC).

Regulation 1272/2008/EC on classification, labeling, and packaging can be found at <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2008:353:0001:1355:EN:PDF>

Legal Metrology and Metric Units of Measurement

This legislation specifies permissible ranges of nominal quantities, container capacities and the weights or volumes of prepackaged products. Manufacturers are advised to take note that all labels require metric units, although dual labeling is also acceptable.

For more information access:

http://ec.europa.eu/growth/single-market/goods/building-blocks/legal-metrology/index_en.htm

Price Display

The Directive requires an indication of the selling price, and price per unit of measurement, on all products offered to consumers. The aim is to improve the information available to the consumer and to facilitate price comparison. This information must be unambiguous, clearly legible and easily identifiable. If advertising mentions the item's selling price, it must also indicate its unit price. For products sold in bulk, the unit price is the only item whose indication on the label is mandatory.

Directive 98/6/EC, on the indication of the prices of products offered to consumers, available online at: http://eur-lex.europa.eu/resource.html?uri=cellar:b8fd669f-e013-4f8a-a9e1-2ff0dfec7de6.0008.02/DOC_1&format=PDF

Automotive

Nearly every vehicle component must be certified for safety as specified under the various directives relating to automobiles. The number shown in the rectangle on the label indicates the Member State in which the approval process was conducted. The number for Romania is "19". A "base approval number" must also be provided adjacent to this certification. This four-digit number will correspond to the directive and type of device in question.

All existing directives on motor vehicles, in chronological order, available online at:

http://ec.europa.eu/growth/sectors/automotive/legislation/index_en.htm

Photometry

A similar marking is an 'E' surrounded by a circle, which applies to the testing of headlight lamps, brake light lamps, and turning signal lamps of all vehicles seeking EU market entry. These include consumer vehicles, low-volume production trucks, light and heavy goods vehicles, trailers, motorcycles, cranes, agriculture and forestry tractors, and special-purpose and off-road vehicles.

http://ec.europa.eu/growth/sectors/automotive/legislation/index_en.htm

Tire Labeling

Tire label legislation requires that tire manufacturers declare fuel efficiency, wet grip, and external rolling noise performance of C1, C2, and C3 tires (i.e., tires mainly fitted on passenger cars and light- and heavy-duty vehicles). The objective of the regulation is better information for the consumer and a contribution to a more energy efficient transport policy.

<http://ec.europa.eu/energy/en/topics/energy-efficient-products-and-labels/tyres>

Directive 1222/2009/EC:

<http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32009R1222&from=EN>

Directive 228/2011/EC:

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2011:062:0001:0016:EN:PDF>

Packaging Material

The EU Packaging and Packaging Waste Directive harmonized member state legislation regarding packaging material composition and the management of packaging waste. Composition of packaging material is addressed in a series of EU-wide standards.

Directive 94/62/EC, available online at:

<http://ec.europa.eu/environment/waste/packaging/legis.htm>

Wood Packaging

Like the United States, the EU has adopted legislation to ensure pest control in wood packaging. The marking used for regulated materials is based on the International Plant Protection Convention compliance symbol.

http://ec.europa.eu/food/plant/plant_health_biosecurity/non_eu_trade/wood_packaging_dunnage/index_en.htm

Voluntary Marks and Labels

Materials in Contact with Food

Manufacturers of containers, plates, cups, and other material that is intended for food are required to check the compliance of their product with EU chemical safety requirements. It is mandatory to comply with the legislation, but the use of the symbol is voluntary.

http://ec.europa.eu/food/safety/chemical_safety/food_contact_materials/legislation/index_en.htm

The e-mark

The e-mark acts as a metrological "passport" to facilitate the free movement of prepackaged goods. It guarantees that certain liquids and other substances have been packed by weight or volume in accordance with the Directives. While compliance is not mandatory, free movement throughout the EU is guaranteed for prepackaged products that comply with the provisions of the Directive.

Containers with an e-mark also bear an indication of the weight or volume of the product, known as its "nominal" weight or volume. The packer (or importer, if the container is produced outside the EU) is responsible for ensuring that the containers meet the Directive's requirements.

http://ec.europa.eu/growth/single-market/goods/building-blocks/legal-metrology/pre-packaging/index_en.htm

The Eco-Label

The European Eco-label enables European consumers, including public and private purchasers, to easily identify officially approved green products across the EU, Norway, Liechtenstein, and Iceland. Introduced in 1992, the label communicates to the customer that the marked products meet specific eco-friendly criteria that have been developed to apply to everyday consumer goods and services.

The symbol may apply to the following 27 product and services groups:

All-purpose cleaners and cleaners for sanitary facilities	Heat pumps	Televisions
Bed mattresses	Household cleaning products	Textile coverings
Campsite Services	Laundry detergents	Textile products

Copying and graphic paper	Light bulbs	Tissue paper
Detergents for dishwashers	Lubricants	Tourist accommodation service
Dishwashers	Paints and varnishes	Vacuum cleaners
Footwear	Personal computers	Washing machines
Furniture	Printed paper products	Wooden coverings
Growing media and Soil improvers	Refrigerators	Wooden furniture
Hand dishwashing detergents	Soaps, shampoos and hair conditioners	
Hard floor coverings	Soil improvers	

The Eco-label program has recently been expanded to cover fish and fishery products. This means that eco-labeled products have been produced in accordance with specific environmental standards.

Private eco-labels have been developed by the seafood industry to “influence the purchasing decision of consumers and the procurement policies of retailers selling seafood products, to reward producers involved in responsible fishing and aquaculture practices leading towards sustainable use of natural resources.”

There are multiple eco-label schemes, and logos, developed by a variety of operators and according to different characteristics. This confusing situation has led to a need for harmonization and coherence. In response, the UN Food and Agriculture Organization (FAO) has developed a “Guideline for the Eco-Labeling of Fish and Fishery Products from Marine Capture Fisheries”: <http://www.fao.org/docrep/012/i1119t/i1119t.pdf>

The U.S. government has decided not to engage in the development of such marketing tool. Instead, NOAA Fisheries has developed a comprehensive website where stakeholders, including consumers, can find facts about a specific species of fish and related fisheries. Consumers can then make their own purchasing choice: <http://www.fishwatch.gov>

The EC is currently preparing, at the request of the European Parliament and the Council, a feasibility report on options for a EU-wide eco-label scheme for fishery and aquaculture products.

European Eco-label website: http://ec.europa.eu/environment/ecolabel/index_en.htm

Recycling

The “mobius loop” (sometimes known as the “chasing arrows”), based on an international standard, may be found on products throughout Europe and is meant to help consumers identify and participate in recycling schemes for product packaging and materials. As well as being used on printed packaging, the chasing arrows symbol is sometimes featured in the molds of glass, metal, paper, or plastic products. Various kinds of loops indicate whether the product is recyclable, recycled or contains recycled material.

Plastics

The EU has mandated that certain products be sold in standardized quantities. Council Directive 2007/45/EC harmonizes packaging of wine and spirits throughout the EU. Existing national sizes will be abolished with a few exceptions for domestic producers.

www.ec.europa.eu/growth/single-market/goods/building-blocks/legal-metrology/pack-sizes/index_en.htm

Glass

There are no EU-wide symbols used to designate the recyclable nature of glass. However, it is certainly encouraged on the national level with an array of symbols.

The Energy Star

The Energy Star symbol is a voluntary labeling program to help consumers identify the most energy-efficient office equipment on the market, i.e., computers, monitors, printers, copiers, scanners, and multifunction devices. The Energy Star may be placed on products that meet or exceed energy-efficiency guidelines. Initiated by the United States, agreement with the EU was signed in December 2000 and then renewed in 2006 with the goal of coordinating the labeling program in the two markets. The agreement lays out a common set of energy-efficiency specifications, with a common logo that doubles as a marketing tool.

https://www.energystar.gov/index.cfm?c=partners.intl_implementation#europe

The Green Dot

The Green Dot system is a scheme in which participating bodies coordinate the collection, sorting, and recovery of used packaging. This system is administered according to national packaging laws (adhered to by packaging manufacturers, fillers, retailers, and importers), and it should be noted that all participating national systems operate independently. The umbrella organization, PRO-Europe, is responsible for managing the Green Dot labeling system in Europe. Use of the Green Dot in Romania is voluntary; Eco-Rom Ambalaje issues the Green Dot licenses. More than 460 billion pieces of packaging marked with the Green Dot are distributed worldwide. Interested applicants should contact one of the national administering authorities at: <http://www.pro-e.org>; <http://ecoromambalaje.ro/?lang=en>

U.S. Export Controls

The United States imposes export controls to protect national security interests and promote foreign policy objectives.

Export Controls and Licenses

The United States imposes export controls to protect national security interests and promote foreign policy objectives. BIS's Export Enforcement (EE) is responsible for the enforcement of the EAR. BIS works closely with U.S. embassies, foreign governments, industry, and trade associations to ensure that exports from the United States are secure. In accordance with the EAR, BIS officials conduct site visits, also known as End-Use Checks (EUCs), globally with end-users, consignees, and/or other parties to transactions involving items subject to the EAR, to verify compliance.

An EUC is an on-site verification of a party to a transaction to determine whether it is a reliable recipient of U.S. items. EUCs are conducted as part of BIS's licensing process, as well as its compliance program, to determine if items were exported in accordance with a valid BIS authorization or otherwise consistent with the EAR. Specifically, an EUC verifies the *bona fides* of recipient(s) of items subject to the EAR, to include: confirming their legitimacy and reliability relating to the end use and end user; monitoring their compliance with license conditions; and ensuring such items are used and/or re-exported or transferred (in-country) in accordance with the EAR.

BIS officials rely on EUCs to safeguard items subject to the EAR from diversion to unauthorized end uses/users. The verification of a foreign party's reliability facilitates future trade, including pursuant to BIS license reviews. If BIS is unable to verify the reliability of the company or is prevented from accomplishing an EUC, the company may receive, for example, more regulatory scrutiny during license reviews or be designated on BIS's Unverified List or Entity List, as applicable.

BIS has developed a list of "[red flags](#)", or warning signs, intended to discover possible violations of the EAR.

Also, BIS has “[Know Your Customer](#)” guidance.

BIS provides a variety of training sessions to U.S. exporters throughout the year. These sessions range from one to two-day seminars and focus on the basics of exporting as well as more advanced topics. Check a [list of upcoming seminars and webinars](#).

BIS also provides [online training](#).

The EAR does not regulate transactions involving all U.S. goods, services, and technologies. Other U.S. Government agencies regulate more specialized exports. For example, the U.S. Department of State’s Directorate of Defense Trade Controls has authority over defense articles and services. A list of other agencies involved in export control can be found on the [BIS website](#) or in Supplement No. 3 to Part 730 of the EAR.

The EAR is available on the [BIS website](#) and on the [Electronic Code of Federal Regulations \(e-CFR\)](#).

The [Consolidated Screening List \(CSL\)](#) is a list of parties for which the United States Government maintains restrictions on certain exports, reexports or transfers of items. The CSL consolidates a number of smaller lists of restricted parties that are maintained by a variety of U.S. Government agencies, including the Department of Commerce, as an aid to industry in conducting electronic screens of potential parties to regulated transactions.

Mexico is not subject to any special U.S. export control regulations, and it is designated as a Category I country (the least restrictive) for receipt of U.S. high-technology products.

Other Export Control Regimes

The United States Government actively participates in multilateral export control regimes to prevent proliferation of weapons of mass destruction and the accumulation of conventional weapons. Exporters should be certain of the export control requirements for the country or countries through which their products or services will travel and be used.

The Wassenaar Arrangement is a key multilateral export regime. It came into effect in September 1996 and is the first global multilateral arrangement on conventional weapons exports, dual use goods and technologies, and munitions. The Wassenaar Arrangement promotes transparency and information-sharing to prevent global security risks from trade in these products and technologies. The 42 signatory countries agree to maintain effective exports controls on materials such as certain types of software, industrial metals, chemicals, satellite technologies, surveillance equipment, encryption technologies, sensors, avionics, lasers and components, among many other items. It also determines specific information requirements on arms transfers covered by the U.N. Conventional Arms Registry.

Both Mexico and the United States of America are part of the Wassenaar Arrangement. The complete listing of products covered is available at www.wassenaar.org.

Other multilateral regimes including the Missile Technology Control Regime, Nuclear Suppliers Group, and the Australia Group. The BIS website has more information on these [other export control regimes](#).

If your company is interested in learning more about U.S export licenses, please contact the Trade Specialist in your nearest U.S. Export Assistance Center by checking <http://export.gov/locations>.

Temporary Entry

The General Customs Directorate from Romania developed technical application norms referring to temporary storage. Some of the measures are described below. All temporary storage facilities shall obtain an operation authorization from the regional customs offices. Such authorization shall not be required where the operator of temporary storage facility is the customs authority itself. The authorization shall be granted only to persons who satisfy all of the following conditions:

1. they are established in the customs territory of the Union
2. they provide the necessary assurance of the proper conduct of the operations
3. they maintain bookkeeping in a format agreed by the customs authority

4. they provide a guarantee according to art. 89 of the UCC: for customs debts which have been incurred and for those which may be incurred.

An authorization can include one or more locations (similar to the bonded warehouse regime). According to art. 149 of Regulation R952/2013, the maximum period for temporary storage of non-Union goods is 90 days; within this period, the goods shall be placed under a customs procedure or be re-exported.

According to art. 250 of the Union Customs Code, the temporary admission procedure allows the use of non-Union goods intended for re-export in the customs territory of the Union, so long as the goods have not undergone any change except normal depreciation. In this case, there is total or partial relief from import duties, and these goods are not subject to commercial policy measures.

In cases qualifying for partial relief from import duties, the duties are levied at 3% of the amount due, had the goods been imported. The duty is calculated for every month or partial month in which the goods are under temporary admission, but the amount cannot exceed the total due had the goods been imported.

In cases qualifying for total exemption of import duties, but which are subsequently imported, the taxation elements will be the one in force at the registration date of the temporary importation customs declaration.

According to art. 259 of the Union Customs Code, the outward processing procedure shall allow Union goods to be exported temporarily from the customs territory of the Union in order to undergo processing operation, and the products resulting from that operation to be released for free circulation with total or partial relief from import duties.

Prohibited and Restricted Imports

The TARIC is designed to show various rules applying to specific products being imported into the customs territory of the EU or, in some cases, when exported from it. To determine if a product is prohibited or subject to restriction, check the TARIC for the following codes:

CITES Convention on International Trade of Endangered Species

PROHI Import Suspension

RSTR Import Restriction

For information on how to access the TARIC, see the Import Requirements and Documentation Section above.

www.ec.europa.eu/taxation_customs/customs/customs_duties/tariff_aspects/customs_tariff/index_en.htm

Customs Regulations

The following provides information on the major regulatory efforts of the EC Taxation and Customs Union Directorate:

The Union Customs Code (UCC) was adopted in 2013 and its substantive provisions apply from May 1st, 2016. It replaces the Community Customs Code (CCC). In addition to the UCC, the EC has published delegated and implementing regulations on the actual procedural changes. These are included in Delegated Regulation (EU) 2015/2446, Delegated Regulation (EU) 2016/341, and the Implementing Regulation (EU) 2015/2447.

There are a number of changes in the revised customs policy which also require an integrated IT system from the customs authorities. In April 2016, the EC published an implementing decision (number: 2016/578) on the work program relating to the development and deployment of the electronic systems of the UCC.

Homepage of Customs and Taxation Union Directorate (TAXUD) Website:

https://ec.europa.eu/info/departments/taxation-and-customs-union_en

Customs Valuation

Most customs duties and value added tax (VAT) are expressed as a percentage of the value of goods being declared for importation. Thus, it is necessary to dispose of a standard set of rules for establishing the goods' value, which will then serve for calculating the customs duty.

In Romania, the standard rate of VAT is 19% and applies to the base of taxation for any taxable operation that is not exempt or that is not subject to the reduced VAT rate. A reduced rate of 9% applies for services and goods such as prostheses of any type and accessories to them, with the exception of dental prostheses, deliveries of orthopedic products, medicines for human use and veterinarian use, accommodations within the hotel sector or with a similar function, such as campgrounds. The same reduced rate also applies to books, newspapers, and tabloids, including textbooks, except for those used for advertising. As of June 1st, 2015, the VAT for foodstuffs was also lowered to 9%.

Given the magnitude of EU imports every year, it is important that the value of such commerce is accurately measured for the purposes of:

- economic and commercial policy analysis;
- application of commercial policy measures;
- proper collection of import duties and taxes; and
- import and export statistics.

These objectives are met using a single instrument - the rules on customs value. The EU applies an internationally accepted concept of 'customs value'.

The value of imported goods is one of the three 'elements of taxation' that provides the basis for assessment of the customs debt, which is the technical term for the amount of duty that has to be paid, the other elements of taxation being the origin of the goods and the customs tariff.

www.ec.europa.eu/taxation_customs/customs/customs_duties/declared_goods/index_en.htm

Consecutively, starting in April 2016, Romanian Customs implemented a working schedule to develop and install the electronic systems envisioned by the EU Customs Code. The Romanian Customs has drafted 25 legislative orders to be signed by the President of National Agency for Fiscal Administration and to be published in the local Official Journal. The new orders will impact procedures referring to: companies' registration, customs representation, origin of goods, taxation, special regimes and free-zones, temporary warehouses, re-export notification and electronic signatures.

The General Customs Directorate from Romania

Address: Str. Alexandru Ivasiuc nr. 34-40, bl. 5, sector 6, București, C.P. 60305

Phone: +4021 315 58 58

E-mail: relatiipublice@customs.ro; vama@customs.ro

Standards for Trade

Products tested and certified in the United States to American standards likely have to be retested and re-certified to EU requirements as a result of the EU's approach to the protection of the health and safety of consumers and the environment. Where products are not regulated by specific EU technical legislation, they are always subject to the EU's General Product Safety Directive as well as to possible additional national requirements.

EU legislation and standards created under the New Approach are harmonized across the member states and European Economic Area countries to allow for the free flow of goods. A feature of the New Approach is CE marking.

The concept of New Approach legislation is slowly disappearing as the New Legislative Framework (NLF), which entered into force in January 2010, was put in place to serve as a blueprint for existing and future CE marking

legislation. Existing legislation has been reviewed to bring them in line with the [NLF concepts](#), which means that new requirements and reference numbers will have to be used as of 2016, new requirements will have to be addressed, and new reference numbers will have to be used on declarations of conformity. The date of applicability depends on the product category. For example, the new Electromagnetic Compatibility Directive (2014/30/EU) replaced the existing law and became applicable on April 20th, 2016.

While harmonization of EU legislation can facilitate access to the EU Single Market, manufacturers should be aware that regulations (mandatory) and technical standards (voluntary) might also function as barriers to trade if U.S. standards are different from those of the EU. For more information about the NLF, go to: <http://ec.europa.eu/growth/single-market/goods/new-legislative-framework>

Agricultural Standards

The establishment of harmonized EU rules and standards in the food sector has been ongoing for several decades, but it took until January 2002 for the publication of a general food law establishing the general principles of EU food law. This regulation introduced mandatory traceability throughout the feed and food chain as of January 1, 2005. For specific information on agricultural standards, please refer to the Foreign Agricultural Service's website at: www.usda-eu.org

There are also export guides to import regulations and standards available on the Foreign Agricultural Service's website: www.usda-eu.org/trade-with-the-eu/eu-import-rules/certification/fairs-export-certificate-report

National Standardization Body (ASRO)

ASRO is the Romanian national institution for standardization. It is a national private legal entity of public interest, non-governmental and apolitical, set up as a national standards body. ASRO is a full member of CEN, CENELEC, ISO, and IEC, and it is an observer member of ETSI. ASRO's main duties include establishing the principles and methodologies of national standardization, developing and approving national standards, and participating in European and international standardization activities. In addition, the institution is responsible for providing information to the public in the field of standardization, as well as publishing and disseminating standards.

The National Standardization Program is the annual working plan of the national standardization body covering the list of topics to be developed. Details included in the 2016 National Work Program can be found in Romanian at http://www.asro.ro/?page_id=443

Many standards in the EU are adopted from international standards bodies such as the International Standards Organization (ISO). The drafting of specific EU standards is handled by three European standards organizations:

1. CENELEC, European Committee for Electrotechnical Standardization: www.cenelec.eu
2. ETSI, European Telecommunications Standards Institute: www.etsi.org
3. CEN, European Committee for Standardization, handling all other standards: www.cen.eu/cen/pages/default.aspx

Contact Information:

Address: Str. Mendeleev nr. 21 – 25, 010362 București

Phone: +4021.316.32.96

Email: asro@asro.ro; international@asro.ro

Website: www.asro.ro

Conformity Assessment

Conformity Assessment is a mandatory step for the manufacturer in the process of complying with specific EU legislation. The purpose of conformity assessment is to ensure consistency of compliance during all stages, from design to production, to facilitate acceptance of the final product. EU product legislation gives manufacturers some

choice regarding conformity assessment, depending on the level of risk involved in the use of their product. These range from self-certification, type examination and production quality control system, to full quality assurance system. Conformity assessment bodies in Romania are listed in NANDO, the European Commission's website: <http://ec.europa.eu/growth/tools-databases/nando>

Product Certification

Products manufactured to standards adopted by CEN, CENELEC or ETSI, and referenced in the Official Journal as harmonized standards, are presumed to conform to the requirements of EU Directives. The manufacturer then applies the CE marking and issues a declaration of conformity. With these, the product will be allowed to circulate freely within the EU. A manufacturer can choose not to use the harmonized EU standards, but then must demonstrate that the product meets the essential safety and performance requirements. Trade barriers occur when design, rather than performance, standards are developed by the relevant European standardization organization, and when U.S. companies do not have access to the standardization process through a European presence.

The CE marking addresses itself primarily to the national control authorities of the member states, and its use simplifies the task of essential market surveillance of regulated products. As market surveillance was found lacking, the EU adopted the New Legislative Framework, which went into force in 2010. As mentioned before, this framework is like a blueprint for all CE marking legislation, harmonizing definitions, responsibilities, European accreditation, and market surveillance.

The CE marking is not intended to include detailed technical information on the product, but there must be enough information to enable the inspector to trace the product back to the manufacturer or the local contact established in the EU. This detailed information should not appear next to the CE marking but rather on the declaration of conformity (which the manufacturer or authorized agent must be able to provide at any time, together with the product's technical file) or the documents accompanying the product.

Independent test and certification laboratories, known as notified bodies, have been officially accredited by competent national authorities to test and certify to EU requirements.

Accreditation

"European Accreditation": www.european-accreditation.org is an organization representing nationally recognized accreditation bodies. Membership is open to nationally recognized accreditation bodies in countries in the European geographical area that can demonstrate that they operate an accreditation system compatible to appropriate EN and ISO/IEC standards. For Romania, the accreditation body is:

RENAR/Romanian Association for Accreditation

Phone: + 40 21 402 04 71

Fax: + 40 21 402 04 89

Website: www.renar.ro

E-mail: renar@renar.ro

Publication of technical regulations

The Official Journal is the official publication of the EU. It is published daily on the internet and consists of two series covering adopted legislation as well as case law, studies by committees, and more: www.eur-lex.europa.eu/JOIndex.do?ihmlang=en

National technical Regulations are published on the Commission's website: www.ec.europa.eu/growth/tools-databases/tris/en to allow other countries and interested parties to comment.

NIST Notify U.S. Service

Member countries of the World Trade Organization (WTO) are required under the Agreement on Technical Barriers to Trade (TBT Agreement) to report to the WTO all proposed technical regulations that could affect trade with other

Member countries. **Notify U.S.** is a free, web-based e-mail subscription service that offers an opportunity to review and comment on proposed foreign technical regulations that can affect your access to international markets. Register online at Internet URL: www.nist.gov

Contact Information

The U.S. Commercial Service at the United States Mission to the European Union

<https://2016.export.gov/europeanunion/contactus/index.asp>

Trade Agreements

Romania has signed a number of bilateral Double Tax Agreements (DTAs) following the OECD model. The DTAs prevail over domestic legislation (a certificate with the foreign fiscal residency to be presented to the Romanian tax authorities [ANAF]). A reduced level of withholding taxes applies to companies based in a country with DTAs agreement in force.

EU preferential commercial agreements, benefiting Romania:

- EU's Generalized Scheme of Preferences (GSP) removes import duties from products coming into the EU market from vulnerable developing countries. <http://ec.europa.eu/trade/policy/countries-and-regions/development/generalised-scheme-of-preferences/>
- Euro-Mediterranean partnership <http://ec.europa.eu/trade/policy/countries-and-regions/regions/euro-mediterranean-partnership/>
- EC regulation no. 55/2008 introducing autonomous trade preferences for the Republic of Moldova: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32008R0055>
- Partnership agreements between the EU and ACP countries ([West Africa](#), [East Africa](#), [Southern Africa and Indian ocean](#), [Central Africa](#), [Africa, Caribbean and Pacific](#), [Asia](#), [Central Asia](#), [Middle East/Gulf](#), [Pacific](#), [Latin America](#), [Caribbean](#), [Overseas Countries and Territories](#))
- TTIP (The Transatlantic Trade and Investment Partnership) - The TTIP negotiations were launched in 2013 and ended without conclusion at the end of 2016. A [Council decision of 15 April 2019](#) states that the negotiating directives for the TTIP are obsolete and no longer relevant. [EU negotiating texts in TTIP](#)

Relevant sources [@Trade EU](#):

- [Trade negotiations & agreements](#) - Up-to-date information on current trade talks, and trade agreements already in place
- Negotiations and agreements - The EU has in place, or is negotiating, trade agreements with countries and regions around the world.
 - [Full details of the EU's ongoing trade negotiations](#)
 - [The EU's FTA implementation report \(other languages\)](#) and the [staff working document](#) (2019)
 - [Press release](#) and [Factsheet \(other languages\)](#) .
 - [The EU's trade relationship with the world's countries and regions](#)
- Countries and Regions - The EU has specific trade policies in place for all its partners and abides by the global rules on international trade set out by the World Trade Organization. https://ec.europa.eu/trade/policy/countries-and-regions/index_en.htm
- Trade Websites: <http://trade.ec.europa.eu>
- Romania's free-trade agreements (in Romanian): <https://www.customs.ro/agenti-economici/originea-marfurilor/acorduri-preferentiale-ale-ue>
- Romanian National Authority for Fiscal Administration [ANAF](#)
- Romanian Customs General Directorate [Customs: home](#)
- Romanian Integrated Customs Tariff: [TARIC RO si TARIC - Customs](#)

- [TARIC, the integrated Tariff of the European Union](#) (a multilingual database integrating all measures relating to EU customs tariff, commercial and agricultural legislation).
- Conventions for avoidance of double taxation concluded by Romania as member of the EU (DTAs), by country (Romanian language):
http://static.anaf.ro/static/10/Anaf/AsistentaContribuabili_r/Conventii/Conventii.htm
- World Trade Organization agreements / WTO legal texts:
http://www.wto.org/english/docs_e/legal_e/legal_e.htm

Licensing Requirements for Professional Services

Necessary special permits or licenses to conduct business activities in Romania cover insurance, banking, transport, e-payment, accounting, recruiting of personnel, pharmaceutical activities, gambling, etc. Access to a regulated profession depends on whether:

- settling and practicing a profession locally - a recognition of professional qualifications is needed;
- providing services - a written preliminary declaration is needed.

Licenses and permits are obtained from different sources (ministries or other official organizations). The [EU regulated professions database](#) offers a wide range of information for each profession that is regulated in the EU.

Web Resources:

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Web Resources:

- Romanian Standards Association (ASRO): <https://www.asro.ro/en>
- European Chemicals Agency (ECHA): www.echa.europa.eu
- www.ec.europa.eu/taxation_customs/index_en.htm
- Modernized Community Customs Code Regulation (EC) 450/2008):
www.eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2008:145:0001:0064:EN:PDF
- Export Help Desk: <https://trade.ec.europa.eu/tradehelp>
- https://ec.europa.eu/taxation_customs/general-information-customs/electronic-customs_en
- https://ec.europa.eu/taxation_customs/home_en
- https://ec.europa.eu/taxation_customs/general-information-customs/customs-security_en
- https://ec.europa.eu/taxation_customs/business/customs-procedures/general-overview/pre-arrival-pre-departure-declarations_en
- Authorized Economic Operator:
www.ec.europa.eu/taxation_customs/customs/policy_issues/customs_security/aeo/index_en.htm
- Contact Information at National Customs Authorities:
https://ec.europa.eu/taxation_customs/individuals/personal-taxation/taxation-savings-income/contact-points_en
- European Committee for Electrotechnical Standardization: www.cenelec.eu

- European Telecommunications Standards Institute: www.etsi.org
www.portal.etsi.org/Portal_Common/home.asp
- European Committee for Standardization: www.cen.eu/cen/Pages/default.aspx
<https://www.cen.eu/you/EuropeanStandardization/Pages/default.aspx>
- European Committee for Standardization (CEN) – Sector:
<https://www.cen.eu/work/areas/Pages/default.aspx/%20www.esearch.cen.eu/esearch>
- New Approach Notified and Designated Organizations:
<http://ec.europa.eu/growth/tools-databases/nando>
- Mutual Recognition Agreements:
https://ec.europa.eu/growth/single-market/goods/international-aspects/mutual-recognition-agreements_en
<https://european-accreditation.org>
- Eur-Lex – Access to European Union Law: www.eur-lex.europa.eu/en/index.htm
- https://ec.europa.eu/growth/single-market/european-standards_en
- <https://een.ec.europa.eu/news/5-small-businesses-are-greening-europe>
- National Technical Regulations: www.ec.europa.eu/growth/tools-databases/tris/en
- Notify U.S.: www.nist.gov/notifyus
- https://ec.europa.eu/growth/single-market/goods/building-blocks/legal-metrology/pre-packaging_en
- www.ec.europa.eu/environment/ecolabel
- Foreign Trade Barriers Report:
<https://ustr.gov/sites/default/files/files/Press/Reports/2018%20National%20Trade%20Estimate%20Report.pdf>
- Agricultural Trade Barriers: www.usda-eu.org
- Trade Compliance Center: <https://tcc.export.gov>
- U.S. Mission to the European Union: <https://useu.usmission.gov>
- The EU Battery Directive:
<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32018L0849>
- Registration, Evaluation, Authorization and Restrictions of Chemicals (REACH):
www.export.gov/europeanunion/reachclp
- Waste Electrical and Electronic Equipment Directive (WEEE) and Restrictions of Hazardous Substances Directive (RoHS): www.export.gov/europeanunion/weeerohs
- www.usda-eu.org/trade-with-the-eu/eu-import-rules/certification/fairs-export-certificate-report
- Food Safety and Applied Nutrition: www.fda.gov/Food/default.htm
- https://tcc.export.gov/Trade_Agreements/index.asp

Selling US Products and Services

Distribution & Sales Channels

Wholesale, retail tiers, and support services - such as packaging, warehousing, and merchandising - are fully developed in Romania and similar to other European countries.

Romania's range of retail outlets is likewise European and includes specialty shops, supermarkets, hypermarkets, cash and carry, department stores, gas station convenience stores, do-it yourself shops, kiosks, street vendors, open-air markets, and wholesale centers. For several years the local market has been dominated by Carrefour, Cora, Kaufland, Lidl, and Mega Image on the hypermarket (or Big Box) segment, while Metro and Selgros have competed on the cash-and-carry market.

President Iohannis promulgated Law 150 in July 2016 that required large retailers in Romania (with annual turnover exceeding €2 million/\$2.2 million) to source the following items at a minimum 51% of total volume from local suppliers: meat, eggs, vegetables, fruits, honey, dairy products, and bakery products. In February 2017, the EC sent a formal infringement notice letter to Romania on the grounds that the national rules on retail of agricultural and food products run against EU legislation. At the end of February 2020, the Lower House (Chamber of Deputies) has adopted a bill to provide substantial modifications to "supermarkets law", by eliminating the 51% obligation. The law will enter into force upon publication in the Official Gazette.

<https://www.wall-street.ro/special/retailarena/251186/george-badescu-amrcr-despre-disparitia-obligatiei-ca-retailerii-sa-vanda-51-produse-romanesti.html#gref>

Using an Agent to Sell U.S. Products and Services

While not legally required in Romania, local agents, distributors, and joint venture (JV) partners can contribute significantly to the success of an American company. Selecting a distributor is a serious strategic decision with business and legal implications. When establishing a contract with a distributor or JV partner, American companies are advised to seek legal advice for compliance with Romanian and/or EU regulations, business practices, and legislation.

The U.S. Commercial Service Romania (CS Romania) advises against relying on Internet searches for a partner. Through its matchmaking services, CS Romania helps U.S. companies find qualified prospective agents, distributors, or representatives, with completed background checks on Romanian companies.

Companies' agents and distributors can take advantage of the European Ombudsman. Complaints can be made to the EU Ombudsman only by businesses and other bodies based in the EU. The Ombudsman can investigate cases of failure to act in accordance with the law, failure to respect the principles of good administration, or violation of fundamental rights. In addition, SOLVIT offers online assistance to citizens and businesses who encounter problems with transactions within the borders of the EU single market.

European Ombudsman: <https://www.ombudsman.europa.eu/en/home>

SOLVIT Solutions to problems with your EU rights: [SOLVIT - EU rights problem solving when working, living or ...](#)

Establishing an Office

Opening a local office in Romania involves several steps:

1. Choose the type of company

General Partnership (SNC): A general partnership can be set up by at least two shareholders. The partnership relationship is based upon a contract. Like with the other four types of companies (briefly described below), the shareholders must register their partnership with the National Trade Register Office of the Ministry of Justice. The shareholders in a general partnership have unlimited and joint liability towards the company's debts and obligations.

Limited Partnership (SCS): A limited partnership consists of one or more general shareholders who manage the company's business, as well as one or more limited shareholders who contribute capital (money or other property) to the partnership but do not participate in its management. Limited shareholders are not liable for the debts and obligations of the partnership beyond their contribution to the registered capital, while the other shareholders (who also manage the company) have unlimited and joint liability towards the company's debts and obligations.

Joint-Stock Company (SA): A joint stock company is a limited liability corporation with at least two shareholders and a registered share capital of at least RON 119,000 (\$27.87) - (Council Directive 77/91/EEC of 1976, replaced by Directive 2017/1132/EU). Shares, with a nominal value of at least RON 0.1 (\$0.02) each, can be nominative shares or bearer shares, and can be freely traded or pledged. A joint stock company may be set up privately or by public subscription. Each shareholder must pay at least 30% of his/her portion of the subscribed share capital, with the remaining 70% to be paid within a maximum of 12 months or 2 years.

Limited Partnership by Shares (SCA): This type of company has the same legal regime as a Limited Partnership, other than the fact that the capital is divided into shares. Thus, the company's obligations are guaranteed by the share capital and by the general partners' unlimited and joint liability. The limited partners are liable only within the limit of the subscribed share capital. Like the joint stock company, the SCA's share capital cannot be less than RON 119,000 (\$27.87)

Limited Liability Company (SRL): A limited liability company is a company set up by at least one shareholder that cannot have more than 50 shareholders. An individual or a legal entity can act as sole shareholder in only one SRL. Additionally, an SRL's sole shareholder cannot be another company that itself is owned by a sole shareholder. The subscribed share capital of an SRL is at least RON 200 (\$50), divided into shares with a nominal value of at least RON 10 (\$2.34) each. The transfer of shares to third parties must be approved by the shareholders holding at least ¾ of the company's capital.

Representative Offices: Foreign companies may open representative offices in Romania following registration with the Department of Foreign Trade in the Ministry of Economy. Representative offices cannot carry out commercial activities on their own behalf, but they are entitled to promote the business of their parent organizations.

Branches: Foreign companies have no legal capacity and can only carry out activities within the parent company's obligations. They must be registered with the relevant trade registry office.

2. Determine location of headquarters

Foreign companies are required to have a physical location (not necessarily a postal address) as their headquarters and must demonstrate that the premises are fully operational - i.e., the company fulfills all conditions required to carry out the activities authorized at that given location (necessary equipment, computer(s), personnel allocated at the company's premises, etc.). In order to approve the company's fiscal registration with the relevant local authority, such conditions are strictly verified by the fiscal administration upon control on site. As an exception, upon initial registration, a newly set up Romanian legal entity may choose to establish its registered office with an attorney at law/law firm for a maximum period of one year.

3. Register the name of the company

The company's name is registered with the Trade Registry Office in the jurisdiction where the company is to be located.

4. Create bylaws and binding documents

General partnerships and limited partnerships are usually set up by their founders through by-laws. Joint-stock companies, limited partnerships by shares, and limited liability companies are set up through by-laws and articles of incorporation. By-laws and articles of incorporation may be concluded under a single document - the Constitutive Deed.

5. Open a company account

A company account is opened in the registered name of the company prior to the company's official registration. The shareholders (or their designees) deposit the share capital in the company account. The amount in the account depends on the form of business organization, but as an example, a limited liability company has a minimum starting capital of RON 200 (\$50).

6. File other required legal documents

Other documents are required to be filed with the local Trade Registry Office under the setting-up file. Such documents include the decision of the competent body of the company's shareholders (in case such shareholders are legal entities), statement(s) of the company's director(s), statements from the company's shareholders that they fulfill the legal requirements to be shareholders in a Romanian company, powers of attorney fiscal records, bank letter, etc.

7. Submit the complete dossier to the One-Stop Office

Once the application, or *dossier*, is complete, it is submitted to the One-Stop Office in the proper jurisdiction. This office falls under the National Trade Registry Office of the Ministry of Justice.

Franchising

Franchising regulations are the same as in other countries, basically granting the franchisee the right to operate or develop a business, product, technology, or service. The contract – that is, the Franchising Agreement - reflects the interests of the franchise network's members and protects the franchiser's industrial or intellectual property rights by upholding the network's common identity and reputation. A franchiser must be the holder of the relevant intellectual or industrial property rights and must register it with the Romanian State Office for Inventions and Trademarks. In 2019, the Romanian Government approved several provisions to the Franchise Law (Government Ordinance No. 52/1997) including:

- the franchisor must have some elements registered by intellectual or industrial property - brand / logo, know-how etc.
- introducing the concept of "pilot unit" (1 year period for testing purpose)
- Introducing the "information disclosure document" by all franchisors, to standardize the procedure for informing potential franchisees
- establishment of the National Franchise Registry held by the non-governmental Romanian Franchise Association

450 concepts are currently running in Romania, 64% of them being international franchises. Most foreign concepts are from the United States, France, and Italy. In 2019, the franchise market continued its upward trend and reached a value of \$3.6 bn., 11% more compared to 2017. The segments in highest demand for franchise businesses are food & beverage, coffee shops and services, and, especially, fitness centers. More and more franchises are being developed for segments such as programs for children, beauty services, medical clinics, and tourism.

Romanian customers and investors are highly interested in U.S. franchises due to their strong reputation and high degree of competitiveness, as well as the fact that they are based on U.S. franchise law, which imposes quality standards and requirements on franchisees.

National Franchise Registry: <https://rnf.ro/>

Romanian Franchise Association:

<https://francizor.ro/english/romanian-franchise-association/>

Direct Marketing

The direct marketing industry has been growing in Romania. The Romanian Direct Marketing Association (ARMAD) is a member of the Federation of European Direct Marketing (FEDMA) and the European E-commerce and Mail

Order Trade Association (EMOTA). Romania does not have a national "do-not-call list," but in 2007, ARMAD implemented a "do-not-mail" list. There is a wide range of EU legislation that impacts the direct marketing sector. Compliance requirements are stiffest for marketing and sales to private consumers. The following gives a brief overview of the most important EU-wide provisions on distance-selling and on-line commerce.

The EU General Data Protection Regulation (GDPR) replaced the Data Protection Directive 95/46/EC and was designed to harmonize data privacy laws across Europe, to protect and empower all EU citizens' data privacy, and to reshape the way organizations across the region approach data privacy.

Processing Customer Data

The EU has strict laws governing the protection of personal data, including the use of such data in the context of direct marketing activities. It is recommended to discuss this topic with advisors prior to engaging in any activities that may involve the collection of consumer data.

Distance Selling Rules

In 2011, the EU overhauled its consumer protection legislation and merged several existing rules into a single rulebook - "the Consumer Rights Directive." On April 11th, 2018, the E.C. proposed to revise existing EU consumer law directives, including the Consumer Rights Directive.

Alternative Dispute Resolution

In 2013, the EU adopted rules on Alternative Dispute Resolution, which provide consumers the right to turn to quality alternative dispute resolution entities for all types of contractual disputes, including purchases made online, offline, domestically, or across borders.

Online Dispute Resolution Platform: <http://ec.europa.eu/odr>

New Legislation

In November 2017, the European Commission adopted a package of two Directives on "contracts for the supply of digital content" and on "contracts for the online and other distance sales of goods." This package addresses the legal fragmentation and lack of clear contractual rights for faulty digital content and distance selling across the EU. The package is currently under scrutiny at both the European Parliament and Council.

Consumer Affairs Homepage: www.ec.europa.eu/consumers/index_en.htm

[www.europarl.europa.eu/RegData/etudes/BRIE/2018/614707/EPRS_BRI\(2018\)614707_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/BRIE/2018/614707/EPRS_BRI(2018)614707_EN.pdf)

Consumer Rights:

www.ec.europa.eu/justice/consumer-marketing/rights-contracts/directive/index_en.htm

Distance Selling of Financial Services

Financial services are the subject of a separate Directive that came into force in June 2002 (2002/65/EC). This piece of legislation is designed to ensure that consumers are appropriately protected with respect to financial transactions taking place where the consumer and the provider are not face-to-face. The Directive was transposed into Romanian legislation by Government Ordinance no. 85/2004 on consumer protection upon the conclusion and execution of distance contracts concerning financial services, as republished on May 13th, 2008, and further amended.

www.eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32002L0065:EN:NOT

Direct Marketing over the Internet

The e-commerce Directive (2000/31/EC) imposes specific requirements connected to the direct marketing business. The Directive stipulates that marketing e-mails must be identified as such to the recipient and requires that companies targeting customers online must regularly consult national opt-out registers where they exist. Vendors of electronically

supplied services (such as software, which the EU considers a service and not a good) must also collect value added tax (see eCommerce section below). The Directive was transposed into Romanian legislation by Law no. 365/2002 on electronic commerce, as republished on November 29th, 2006, and further amended.

www.ec.europa.eu/internal_market/e-commerce/index_en.html

Joint Ventures/Licensing

U.S. companies may enter the Romanian market as partners or may operate 100% foreign-owned companies. Joint ventures offer quick market access through the knowledge, relationships, and existing capacities of the local partner. They may be in the form of an incorporated limited liability company (*SRL*) or unincorporated (contractual) relationship between partners (being exempt from registration formalities with local authorities, such as Trade Registry, Registry of Associations etc.)

Express Delivery

All major express delivery companies are present locally: FedEx, TNT, DHL, and UPS. While envelope delivery from the U.S. to Romania takes two to four days, packages & freight might take four to seven days. Companies handle customs clearance and offer door-to-door delivery.

The most inexpensive international service (and the slowest) is the Romanian Post, which connects with USPS.

Local courier services have been reported to be reliable, fast, and affordable, especially for in-country delivery. The most common are:

Cargus Curier: www.urgentcargus.ro

DPD: www.dpd.com/tracking

FAN Courier: www.fancourier.ro/en/

Sameday Courier: <https://sameday.ro>

General Logistics Systems GLS: <https://gls-group.eu/RO/ro/home>

Due Diligence

Romania offers attractive opportunities for investment, acquisition, and business partnerships ranging from joint ventures and licensing agreements to distributorships and franchises. There are few activities more important in Romania than conducting thorough due diligence on potential investments or business partners.

CS Romania advises American firms to engage reputable legal counsel. Legal advisers are retained for incorporation, obtaining permits, IPR registration, contract preparation, collection, and commercial disputes. Additionally, counsel can also be an excellent resource for identifying potential problems based on their experience in the market.

It is very important for American firms to know with whom they are doing business, whether selecting a consultant or distributor or deciding to extend credit terms. In addition to introductions to local legal counsel, CS Romania offers a service for investigating the background, financial status, and references of Romanian firms. This service, the International Company Profile (ICP), includes findings from interviews with the target company and supplier, customer references, and a recommendation regarding the subject's reliability as a business partner.

eCommerce

B2B/B2C ecommerce sales channel

Romanians purchased \$4.71 billion worth of products online in 2019, resulting in an increase of 20-22% in the value of the eCommerce market estimated at \$3.90 billion in 2018.

The increasing rate of 2019 vs. 2018 was lower compared to 2018 vs. 2017 when it was estimated at 30%.

In 2019, Romanians spent an average \$62.97 on online shopping from desktops and \$47.07 on purchases made from mobile phones. Approximately 72% of the traffic recorded by major online stores is generated by mobile devices. The

main players on the e-market say that activity will continue to raise in 2020 estimating that it will probably sum up to \$5.47 billion by the end of the current year.

Around 63.6% of online purchases are made through a mobile phone while only 36.6% from a desktop. According to the annual study conducted by Gpec & ISense Solutions 56% of internet users shop online monthly. They also note that 87% of shoppers compare prices on 5 different websites before making the decision to purchase.

The main categories of products sold online are: Electro IT&C (both hardware and software), home & deco, the auto sector and fashion & beauty, having the largest share in B2B e-commerce. Romanians are primarily looking for: free and fast delivery, discounts and promotional campaigns, and free returns (even though the current national laws leave the cost of the return to the shopper).

Online purchases

\$4.71 billion is strictly the e-tail segment – that is, the physical (tangible) products that were bought over the Internet. However, this amount doesn't include services, utility bills, air tickets, holidays, hotel bookings, show tickets, downloadable content, etc.

As in other countries, e-commerce solutions that rely on existing payment relationships have been very successful in Romania. In 2019, there were over 20,000 online stores. The biggest are: eMAG.ro, Okazii, Cel.ro, Altex, Elefant, and Flanco.

The preferred method of payment remains pay on delivery (approx. 80%). According to the information provided by PayU processors, the percentage of online card payments has decreased by 9% compared to 2018 with the minimum value of a transaction estimated at \$42.64. (source: www.gpec.ro).

Selling Factors & Techniques

Overview

Price, payment conditions, value, and quality are critical factors for success in Romania's business and consumer markets. European competitors have a tariff-free status within the EU. In addition to a competitive price, American firms need to demonstrate a clear qualitative value proposition. Public-procurement-wise, the main (sometimes unique) winning criterion is the price (N.B - all tender documentations are publicized in Romanian; however, many Romanians will understand English).

Trade Promotion & Advertising

According to the European Audiovisual Observatory, there are more than 40 on-demand audiovisual services including main broadcasters' catchup TV services. The main distribution companies - RCS/RDS, Telekom Romania, and Orange - also offer on-demand services of their own alongside third-party services such as HBO on Demand. Voyo is the SVOD service of Pro TV (part of the Central European Media Enterprises). Netflix is also available in Romania.

The main players are international companies: advertising agencies (McCann Worldgroup, Lowe Group, Publicis, Leo Burnett, Ogilvy), media agencies (Zenith Media, Optimedia, Initiative Media, Mindshare, Mediacom, Mediaedgencia), and advertisers (Vodafone, Coca-Cola, ING Bank). The largest advertising investments come from companies working in telephone services, retail, and fast-moving consumer goods.

The total 2018 turnover of the most monitored media agencies was approx. 450 million Euro / 540 million USD (14% increase yoy; in 2017 the increase was 13.1% yoy), while their net profit reached 12.3 million Euro / 14.76 million USD. <https://www.forbes.ro/topul-agentiilor-de-media-din-romania-anul-2018-140725>

A 2020 list of TV stations can be found at: <http://www.cna.ro/Lista-sta-iilor-TV-pentru-2020-in.html>

Key Links:

National Audiovisual Council - <http://www.cna.ro/-English-.html>

The International Advertising Association - <http://www.iaa.ro>

The Romanian Advertising Association (UAPR) - <http://uapr.ro/>

IAB Romania – member of IAB Europe - <http://iab-romania.ro/#>

Media Fact Book - <http://www.mediafactbook.ro/about>

Pricing

Based on information published in October 2019, the expansion of CEE region's economic activity continued in 2018. Romania experienced a slower pace of growth though. The overall economic growth in the CEE region remained solid with 4.3 percent in 2018, after 4.6 percent in 2017. <https://business-review.eu/business/br-analysis-economic-growth-remains-solid-in-cee-region-and-romania-205582>

Romania (Fitch-rated BBB-/Stable as of August 2019) has expressed interest in joining ERM II (European Exchange Rate Mechanism II https://ec.europa.eu/info/business-economy-euro/euro-area/introducing-euro/adopting-fixed-euro-conversion-rate/erm-ii-eus-exchange-rate-mechanism_en), but there is no formal timetable. However, in January 2019 the year 2024 has been vehiculated as a forecast for Romania to join the Euro zone. (<https://seenews.com/news/romania-aims-to-join-eurozone-in-2024-pm-641167>)

Pricing structures in Romania are similar to most other countries: they are increased by wholesale and retail markups as well as by taxes including VAT. Romanian VAT rates are 19 % standard and 5 or 9 % reduced. <https://www.vatglobal.com/countries/romania>

Exporters can realize greater sales success by quoting prices in local currency and offering credit terms instead of Letters of Credit or cash in advance. Numerous banks in the United States and Romania offer appropriate trade finance tools to manage both currency and payment risk. The U.S. Export-Import Bank and private providers offer credit insurance for Romanian buyers, as well.

Competition Council <http://www.consiliulconcurrentei.ro/en/about-us.html>

National Authority for Consumer's Protection <https://anpc.ro/>

Sales Service/Customer Support

After-sales customer service and support are still developing among Romanian businesses. As a consequence, Romanian consumers are increasingly sensitive to the quality of after-sales services in making their buying decisions. American firms generally hold an advantage in this area, but local partners may prove the weak link that damages brand perception. U.S. companies should be prepared to work closely with local partners (distributors, value-added resellers) to help them develop their service and support capabilities.

Conscious of the discrepancies among EU Member States in product labeling, language use, legal guarantee, and liability, the EU has launched a number of initiatives aimed at harmonizing national legislation. Suppliers within and outside the EU should be aware of existing and upcoming legislation affecting sales, service, and customer support.

Product Liability

Under the 1985 Directive on Liability of Defective Products, amended in 1999, the producer is liable for damage caused by a defect in his product. The victim must prove the existence of the defect and a causal link between defect and injury (bodily as well as material). A reduction in liability of the manufacturer is granted in cases of negligence on the part of the victim.

Key link:

<https://ec.europa.eu/growth/single-market/goods/free-movement-sectors/liability-defective-products/>

Product Safety

The 1992 General Product Safety Directive introduces a general safety requirement at the EU level to ensure that manufacturers only place safe products on the market. It was revised in 2001 to include the following: an obligation for the producer and distributor to notify the Commission in case of a problem with a given product, provisions for its recall, the creation of a European Product Safety Network, and a ban on exports of products to third countries that are not deemed safe in the EU. The legislation is still undergoing review.

Key link:

https://ec.europa.eu/info/general-product-safety-directive_en

Legal Warranties and After-sales Service

Under the 1999 Directive on the Sale of Consumer Goods and Associated Guarantees, professional sellers are required to provide a minimum two-year warranty on all consumer goods sold to consumers (natural persons acting for purposes outside their trade, businesses, or professions), as defined by the Directive. The remedies available to consumers in case of non-compliance are:

- Repair of the good(s);
- Replacement of the good(s);
- A price reduction; or
- Rescission of the sales contract.

Key link:

https://europa.eu/youreurope/citizens/consumers/shopping/guarantees-returns/index_en.htm

Local Professional Services

A directory of local business service providers offering clear value to U.S. firms is available on the website of the U.S. Commercial Service in Bucharest, Romania:

www.export.gov/romania/businessserviceproviders/index.asp

Principal Business Associations

- American Chamber of Commerce in Romania: www.amcham.ro (accepts U.S. companies)
- American-Romanian Business Council: www.amrobiz.org (accepts U.S. companies)
- Automotive Manufacturers and Importers Association (APIA): www.apia.ro/en (accepts U.S. companies)
- Business Development Association: www.asociatia-ada.ro
- Businessmen's Association of Romania: <http://www.aoar.ro/>
- Chamber of Commerce and Industry of Romania: www.ccir.ro
- Employer's Federation of Textile, Clothing and Leather Industry (FEPAIUS): www.fepaius.ro
- Local American Working Group: <http://www.lawg.ro/home>
- National Association of Internet Service Providers from Romania: www.anisp.ro
- National Association of Software Industry & Services: <http://www.anis.ro/>
- National Council of Small and Medium Sized Private Enterprises (CNIPMMR): www.cnipmmr.ro
- National Union of Road Haulers from Romania: <https://www.untrr.ro/>
- Romanian - American Chamber of Commerce: www.racc.ro (accepts U.S. companies)
- Romanian Association for Electronic Industry and Software (ARIES): www.aries.ro
- Romanian Association of Building Contractors ARACO: <http://www.araco.org/>
- Romanian Association of International Drug Manufacturers (ARPIM): <http://arpim.ro/>
- Romanian Association for Quality ARC: <http://www.quality.ro/>
- Romanian Banking Association (RBA): www.arb.ro/en (accepts U.S. credit institutions present in Romania)

- Romanian Business Leaders Summit: <http://www.rbls.ro/>
- Romanian Franchise Association: <https://francizor.ro/english/romanian-franchise-association/>

Limitations on Selling U.S. Products and Services

As a general rule, there are no absolute restrictions regarding the sale of U.S. products and/or services in Romania. However, applicable legislation does provide specific requirements for the manufacturing, import, trade, sale, and supply of certain products and services in the country. Foreign entities and individuals may need to obtain certain authorizations, licenses, permits, endorsements, and/or approvals and, as the case may be, to set up local/EU subsidiaries. Some noteworthy examples are:

- Pharmaceutical products may only be imported and sold in Romania if they are authorized for marketing in the country and their price is approved by the Romanian Ministry of Health.
- Medical devices can only be placed on the Romanian market if they bear the CE marking.
- Food supplements must be notified and approved by the local regulatory authorities in order to be traded in Romania.
- Imports and sales of firearms, ammunition, and explosives are subject to specific licenses and authorizations.
- Transportation, telecommunications, and audiovisual services are subject to licensing in Romania.
- Trade in nuclear products has a specific legal regime and requires mandatory authorizations.
- The trade, supply, distribution, transmission, and generation of energy generally require specific authorizations and a physical presence in Romania (subsidiary, branch, office, etc.).
- For financial services, capital market activities, payments, and e-money institutions, a U.S. entity must obtain specific authorizations and have a subsidiary located in Romania or another EU member state.

Trade Financing

Methods of Payment

The least risky for the American exporter and most widely accepted method of payment is by an irrevocable letter of credit. This method, however, is not necessarily the most competitive for winning sales in Romania. An L/C represents a credit obligation for the Romanian buyer, who may not be willing (or able) to borrow at a cost-effective rate. Cash-against-documents or open-account terms entail more risk for the exporter but may be preferable for the buyer. Each exporter has to weigh the element of risk in a transaction against the relationship with the buyer and degree of competition.

Commercial banks offering international trade services can describe the risks and merits of each payment method, but American exporters are well advised to establish payment policies for international sales based on their business strategy. In addition to the due diligence tools discussed earlier, there are other forms of U.S. Government support for managing risks. The U.S. Export-Import Bank (Ex-Im Bank) offers a program of export credit insurance to enable U.S. exporters to extend credit terms with protection against the risk of non-payment.

On April 17th, 2020, Fitch Ratings revised Romania's Outlook to Negative from Stable, while affirming the Long-Term Foreign-Currency (LTFC) Issuer Default Rating (IDR) at 'BBB-'. The revision of the Fitch Outlook reflects the substantial worsening in Romania's public finances expected in the short-term as the outbreak and spread of the COVID-19 pandemic aggravates an already weak fiscal position. The combination of a sharp economic contraction and a rise in spending will cause a material widening of the public deficit and a sharp rise in debt in 2020. Although Fitch expects the economy to recover in 2021, uncertainty regarding the scope and length of the pandemic, combined

with poor fiscal management in recent years, creates significant challenges in consolidating public finances over the medium term.

<https://www.fitchratings.com/research/sovereigns/fitch-revises-romania-outlook-to-negative-affirms-at-bbb-17-04-2020>

On April 24th, 2020, Moody's Investors Service ("Moody's") changed the outlook on the Government of Romania's ratings to negative from stable and affirmed the Baa3 foreign and domestic long-term issuer and senior unsecured ratings. Moody's two key drivers for the change of the outlook to negative are:

1. A structural deterioration in public finances compounded by an increase in long-term liabilities that relate to the 2019 pension reform;
2. A worsening of Romania's external position with an increase in short-term foreign-currency debt that heightens the country's susceptibility to event risk.

https://www.moodys.com/research/Moodys-changes-Romanias-outlook-to-negative-from-stable-affirms-Baa3--PR_419169

On June 5, 2020, S&P Global Ratings affirmed the 'BBB-/A-3' long- and short-term foreign and local currency sovereign credit ratings on Romania. The outlook is negative because S&P sees risks to Romania's fiscal and external balances over the next 18 months if policymakers cannot stabilize and consolidate Romania's budgetary stance after COVID-19-induced recession and 2020 general elections.

<https://seeneews.com/news/sp-global-ratings-affirms-romania-at-bbb-a-3-outlook-remains-negative-701709>

Banking Systems

The number of Romanian and foreign banking institutions has increased from five in 1990 to more than 35 at present, and all are authorized to engage in a full range of traditional banking functions.

Romanian National Bank: www.bnr.ro

Romania's membership in the EU and greater integration into world financial markets exposed its economy to the international financial crisis starting in 2008. The dominant role of foreign banks in the market has brought benefits but has also made Romania captive to the decisions of these banks' home offices (especially in the Euro Zone) and their shareholders. However, Romania has proven a profitable market for these banks, and none have expressed plans to exit the market.

Major credit cards are accepted by large hotels, car rental companies and stores in the main cities in Romania. However, credit cards are unlikely to prove useful in small towns or away from tourist areas. A card with a chip and/or PIN may be required to make credit card purchases. Many American banks allow cardholders to set up a PIN prior to travel, in case one is needed. Regardless, you should notify your bank of your international travel, and the potential legitimate use of your card abroad, prior to leaving the United States.

Foreign Exchange Controls

Romania has no foreign exchange restrictions. The local currency, the Romanian New LEU, (abbreviated RON) is fully convertible for business (current account) purposes, with a fully liberalized capital account, and a central bank applying a managed float to reduce currency fluctuations. Foreign investors may freely repatriate profits and dividends in hard currency. The exchange rate as of April 3rd, 2020 was USD 1 = 4.4674 RON.

U.S. Banks & Local Correspondent Banks

All commercial banks now operating in Romania have international correspondent relationships, and all are members of the domestic inter-bank payment-settlement system.

Since 1996, Citibank has been the most well-known U.S. bank in Romania, owned by Citibank Europe. This is a credit institution authorized and supervised by Central Bank of Ireland. It carries out its activities in Romania by a branch,

Citibank Europe plc, Dublin – Romania Branch. Although Citibank Romania does not engage in retail banking, it has corporate banking branches in major cities such as Bucharest and Timisoara.

In November 2018, a new American bank entered the Romanian market, including the retail banking sector. Greece-based Piraeus Bank was acquired by J.C. Flowers, a private U.S. equity leader, and it became [First Bank Romania](#). In April 2019, First Bank Romania announced the signing of an agreement with Israel-based Bank Leumi for purchasing all the bank's holdings in its subsidiary Bank Leumi Romania. The purchase is yet to be approved by the National Bank of Romania and the Romanian Competition Council. After receiving the final approval from the National Bank and the Trade Register, First Bank expects the merger to become effective on April 30, 2020.

The Romanian financial landscape includes several international bank subsidiaries and several major Romanian banks. Most of these have parent corporations in other countries such as the U.S. (Citibank, J.C. Flowers & Co, NCH Capital), Austria (Erste Bank, Raiffeisen Bank, and Porsche Bank), France (BRD – Societe Generale and Credit Agricole Bank), Italy (Unicredit Bank and Intesa Sanpaolo Bank), Greece (Alpha Bank), Cyprus (Vista Bank), Hungary (OTP Bank), Holland (ING Bank) and Turkey (Garanti Bank).

Protecting Intellectual Property

Romania remains on the Watch List in 2020. The United States welcomes the participation of Romanian government experts and personnel in intellectual property (IP)-related technical trainings and the continued working-level cooperation in Romania between stakeholders and law enforcement authorities, including prosecutors and police. Also welcome are 2018 amendments to Romania's laws on collective management of copyrights and neighboring rights and on the right of public communication for musical works. An additional positive development is Romania's 2018 entry into a Memorandum of Understanding with the World Intellectual Property Organization (WIPO) establishing a single procedure for addressing issues in international IP litigation. Despite these positive developments, online piracy, the use of unlicensed software, and a drop-in customs seizures of counterfeit goods present unresolved challenges for U.S. IP-intensive industries in Romania. Trademark concerns include obstacles to the assignment of certification marks, the unavailability of default judgments in opposition and invalidation proceedings, inadequate transparency in opposition proceedings, and the lack of administrative cancellation proceedings. The United States remains concerned that penalties for copyright crimes.

The United States continues to encourage Romania to develop a national IP enforcement strategy, which could include the appointment of a high-level IP enforcement coordinator responsible for directing the development and implementation of the national strategy. Romania should fully staff and fund the IP Coordination Department in the General Prosecutor's Office and the Economic Crimes Investigation Directorate, and encourage the Department to prioritize its investigation and prosecution of significant IP cases, with a special focus on cases involving online piracy and criminal networks importing, distributing, or selling counterfeit products. Romania should also provide its specialized police, border polices, customs, and local law enforcement with adequate resources, including necessary training, and instruct relevant enforcement authorities to prioritize IP cases. The United States also encourages Romania to continue its consultations with interested stakeholders as it implements the European Union Directive on Copyright in the Digital Single Market. The United States further encourages Romania to consult with interested stakeholders regarding implementation of the Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EC) No. 469/2009 concerning the supplementary protection certificate for medicinal products, if enacted. The United States looks forward to continuing to work with Romania to address these and other issues.

The World Intellectual Property Organization (WIPO) provides 186 Country Profiles. These are available at: <http://www.wipo.int/directory/en>

Selling to the Public Sector

Government procurement in Europe is governed by both international obligations under the WTO Government Procurement Agreement (GPA) and EU-wide legislation under the EU Public Procurement Directives. U.S.-based

companies can bid on public tenders covered by the GPA, while European subsidiaries of U.S. companies may bid on all public procurement contracts covered by the EU Directives in the European Union.

Romania has transposed the European public procurement directives. The public procurement regulatory framework is represented by primary and tertiary legislation, with the primary enactment represented by the public procurement law, Emergency Ordinance 34/2006, which is aligned with relevant EU standards.

The Government maintains an electronic system for public procurement concessions in order to provide a fully transparent procurement process. Since 2016, contracting authorities are obliged to conclude at least 40% of their public procurements:

- *National Agency for Public Procurement* - www.anap.gov.ro
- *Electronic System for Public Procurement* - <https://sicap-prod.e-licitatie.ro/pub>

ec.europa.eu/growth/single-market/public-procurement/e-procurement/e-invoicing_en

The four relevant EU Directives on public procurement:

- [Directive 2014/24/EU](#) (replacing Directive 2004/18/EC) on the coordination of procedures for the award of public works contracts, public supply contracts, and public service contracts applying to the general sector;
- [Directive 2014/25/EU](#) (replacing Directive 2004/17/EC) on the coordination of procurement procedures by entities operating in the water, energy, transport, and postal services sectors;
- [Directive 2009/81/EC](#) on public procurement by entities operating in the defense and sensitive security sector. This Directive sets Community rules for the procurement of arms, munitions, and war material (plus related works and services) for defense purposes, but also for the procurement of sensitive supplies, works, and services for non-military security purposes;
- [Directive 2014/23/EU](#) on the award of concession contracts. A concession contract (either for the delivery of works or services) is conducted between a public authority and a private enterprise that gives the right to the company to build infrastructure (and to provide relevant financing) and operate businesses that would normally fall within the jurisdiction of the public authority (e.g., road infrastructure, large infrastructure, waste and water infrastructure).

The Romanian legislative procurement package transposing the new rules into national law was enacted in May 2016.

Electronic versions of the procurement documentation must be available through an internet URL of the Official Journal of the European Union (OJEU) contract notice. Starting on April 18th, 2018, the European Single Procurement Document (ESPD) can only be provided in electronic form. Within the Internal Market Information System (IMI), the E.C. has established an online system “e-CERTIS” for administrative documents.

Based on the requirement set forth in [Directive 2014/55/EU](#), the E.C. decided to introduce a European Standard for E-Invoicing, but there are no centralized platforms to process e-invoices in Romania. Standards for e-invoicing are being developed by the European Committee for Standardization (CEN).

There are also restrictions in the EU coverage of the GPA that apply specifically to U.S.-based companies. U.S. companies are not allowed to bid on works and services contracts procured by sub-central public contracting authorities in the following sectors:

- Water sector
- Airport services
- Urban transport sector as described above, and railways in general
- Dredging services and procurement related to shipbuilding

Advocacy

U.S. companies bidding on a Mexican Government tender may also qualify for U.S. Government advocacy. A unit of the U.S. Commerce Department's International Trade Administration, the Advocacy Center, coordinates U.S. Government interagency advocacy efforts on behalf of U.S. exporters bidding on public sector contracts with international governments and government agencies.

The Advocacy Center works closely with our network of domestic U.S. Commercial Service Export Assistance Centers and with the U.S. Commercial Service in Mexico to ensure that exporters of U.S. products and services have the best possible chance of winning government contracts. Advocacy assistance can take many forms but often involves the U.S. Embassy or other U.S. Government agencies expressing support for the U.S. bidders directly to the foreign government. Consult [Advocacy for Foreign Government Contracts](#) for additional information.

Financing of Projects

Project financing from public and quasi-public institutions is an important source of investment capital for infrastructure projects in Romania and other countries in the region. Especially as the tide of private investment ebbs, or at least becomes more selective, the roles of international financial institutions such as the International Monetary Fund (IMF) and the EU in cooperation with the World Bank Group (IBRD, IFC, MIGA), the EBRD, and the European Investment Bank – EIB, become even more important.

1. EU Structural and Investment Funds (ESIF)

EU Structural Funds, including the European Regional Development and the European Social Fund, were created in 1975 with the aim to mitigate economic and social differences between the regions of the EU. New budgets are approved every seven years for all member states. The budgets and the allocation of funding between the different priorities (social, economic, or environmental) are based on the conclusions of the “Partnership Agreements” (PAs), which are negotiated between the EC and the member state national authorities. For the period of 2014 – 2020, the EU has earmarked €352 billion (\$398.5 billion) for regional development and cohesion policy projects, Romania being allocated EUR 30.84 billion of that amount. For information on approved programs that will result in future project proposals, please visit: www.ec.europa.eu/regional_policy/index_en.cfm

Tenders issued by Romanian public contracting authorities for projects supported by EU grants are subject to EU public procurement legislation. For more information on these programs, please see the market research section on the website of the U.S. Mission to the EU: www.export.gov/europeanunion/marketresearch/index.asp

2. The Cohesion Fund

The Cohesion Fund is another instrument of the EU’s regional policy. Its €63 billion or \$71.3 billion (2014-2020) budget is used to finance projects in two areas:

- Trans-European transport projects including transport infrastructure; and
- Environment, including areas related to sustainable development and energy for projects with environmental benefits.

The fund supports projects in member states whose Gross National Income (GNI) per inhabitant is less than 90% of the EU average, which includes Romania. These projects are, in principle, co-financed by national authorities, the European Investment Bank, and the private sector: www.ec.europa.eu/regional_policy/thefunds/cohesion/index_en.cfm

Export-Import Bank of the United States

U.S. Ex-Im Bank provides export credit insurances, loan guarantees, and direct loans for U.S. exports to Romania. Although most of the credit has been for exports to the Romanian government, private sector and sub-sovereign financing is available as well.

Ex-Im Bank issues short-term (180 days) insurance coverage for exports to Romania. Medium- and long-term coverage is only available for public sector transactions. Ex-Im Bank provides insurance through its affiliated agent, the Foreign Credit Insurance Association: www.exim.gov

Romanian Ministry of Public Finance (MFP)

MFP issues Romanian government guarantees for projects up to \$66.7 million. The Ministry must submit guarantees for larger projects to an inter-ministry committee and the cabinet for approval. Government guarantees are approved on the basis of feasibility studies, which must contain a clear description of the financial package for the project. The government and IFIs may jointly support viable private sector projects: www.mfinante.ro

Business Travel

Business Customs

Special customs do not prove very significant in business dealings in Romania; Western business standards apply. Romanians generally have positive attitudes toward America, but also draw on their own and other European cultural references.

Romanian nationals are friendly, and foreigners are usually made very welcome. Shaking hands is the normal form of greeting (sometimes a man, usually from the older generation, may kiss the hand of a woman in greeting); normal courtesies are observed when visiting a person's home. It is important to take business cards to meetings and to give a card to each person present.

Flowers are very popular in Romanian culture, and are given for almost every occasion, including name day celebrations, weddings, and visits to Romanian homes. Always buy an odd number of flowers (even numbers are used at funerals). Casual wear is the most suitable form of dress for most social occasions, but attire may be more formal when specified for entertaining in the evening or in a restaurant or theater. Romanians use the formal addresses of "domnul" (sir) and "doamna" (madam) when addressing one another, although first names are used among younger people and in business with English-speaking partners. It is customary to say "pofta buna" (bon appétit) before eating, and "noroc" (cheers) before drinking.

Travel Advisory

General and country-specific travel information can be found on the U.S. Department of State's web site: <https://travel.state.gov/content/travel/en/international-travel.html>

Visa Requirements

You must have a valid passport to enter Romania. Per Regulation no. 610/2013 of the European Union, the passport of third state nationals who travel to Romania or another EU country must meet the following criteria: *the passport must be valid for at least three months after the estimated day of exit from the EU country and must have been issued within the last 10 years.*

For all destinations worldwide, the Department of State recommends that your passport have at least six months of validity beyond your dates of international travel to avoid unintended travel disruptions.

To ensure that your travel plans are not disrupted, plan ahead to renew your passport before traveling. Visit the Department of State's [passport website](#) for more information on applying for a new or renewal passport.

For additional information, please see the Department of State's website: [Schengen Fact Sheet](#).

U.S. citizen visitors are granted 90 days of stay without a visa within a given six-month period. For stays longer than 90 days, you must obtain an extension from the Romanian Office for Immigration in the area of your residence. If you stay too long, you will need an exit visa. We do not recommend the practice of attempting to "extend" the 90-day period by traveling to another country for a short period and then returning to Romania. More people are being denied re-entry to Romania because the Romanian Government has been enforcing visa regulations more vigorously than in the past. For visits longer than 10 days, you must register your presence with the nearest Police Precinct. Visit the Embassy of Romania website for the most current visa information or contact the Romanian Embassy at 1607 23rd St. NW, Washington, D.C. 20008, telephone number (202) 232-4747, or the Romanian Consulates in Los Angeles, Chicago, or New York.

Foreigners are required to carry identification documents at all times. Americans who obtained a temporary or permanent stay permit must be able to present the document upon the request of any "competent authorities." Foreigners who do not have a stay permit should present their passports. The Embassy recommends carrying a copy of the relevant document.

U.S. Companies that require travel of foreign businesspersons to the United States should be advised that security evaluations are handled via an interagency process. Visa applicants should go to the following links:

<https://ro.usembassy.gov/visas/nonimmigrant-visas/>

<https://travel.state.gov/content/visas/en.html>

The **American Citizens Services (ACS)** Unit of the U.S. Embassy Bucharest, Romania, is involved in various matters concerning U.S. citizens in Romania. It is located in the Consular Section, at 4-6 Liviu Librescu Blvd. Emergency Services are available from the Embassy 24 hours a day/7 days a week. From Monday to Friday, 8:00am – 5:00pm, dial 021-270-6000. For emergencies after public hours, please call 021-200-3300. All non-emergency American Citizen Services (renewal of U.S. passports, Consular Reports of Birth Abroad, Notaries and other services) are provided by appointment only. Links to the online appointment system are provided on the Embassy website <https://ro.usembassy.gov/>, in “U.S. Citizen Services” under the appropriate service category.

To contact the ACS:

- Consular Section line 021-270-6000 (press 1) Monday to Friday, 1:00pm to 4:30pm. Fax 021-200-3578 (American citizen services).
- Email: ACSBucharest@state.gov.

The Embassy's website address is: <https://ro.usembassy.gov/>. Please check our website for details on the services offered.

State Department Visa Website: <https://travel.state.gov/content/visas/en.html>

Romanian Immigration Departement: www.igi.mai.gov.ro

Currency

The RON/USD exchange averaged RON 4.2379 in 2019 and hit a high of 4.5316 on 23 March 2020. The Euro is used for larger and legal transactions, especially in sectors such as real estate.

Using ATMs to exchange currency is generally safe but exchange rates can be disadvantageous compared with exchange offices. Use of ATM machines eliminates the need to carry large amounts of cash as traveler's checks are not used for purchases. ATMs are generally functional at all times and are located throughout the city, especially at large stores, around public institutions and outside banks. Visa and MasterCard are also accepted for purchases in medium and large retail chains.

Contrary to practice in the United States, a PIN is usually required to make credit card purchases. Many American banks allow cardholders to establish such a PIN prior to travel, in case one is needed. If you do not have a pin just tell the cashier "this is a no pin credit card". Regardless, you should notify your bank of your international travel, and the potential legitimate use of your card abroad, prior to leaving the U.S.

Telecommunications/Electric

73.6% of all Romanians have used the internet in 2019 shows a report of the Romanian Statistics Institute. Speedtest Global Index positions Romania on the 41st place in the world for mobile speed, and on the 4th for broadband connectivity in January 2020.

Romania has a modern telephone network of landlines and mobile (cell) phones. It is possible to receive and make direct international calls from anywhere in the country. Romania's country code is +40.

All Romanian landline numbers have 10 digits, consisting of a zero, plus a city code and the number. The formula differs slightly depending on whether the number is in Bucharest or outside of Bucharest. Bucharest numbers take the form: 0 + two-digit city code (21 or 31) + seven-digit number. Outside of Bucharest, numbers take the form: 0 + three-

digit city code + six-digit number. Mobile phone numbers can be identified by a three-digit prefix starting with 7. All mobile numbers have 10 digits: 0 + three-digit prefix (7xx) + six-digit number.

Calling Within Romania

- to reach a landline outside of Bucharest, dial 0 + three-digit city code + six-digit number
- to reach a landline in Bucharest, dial 0 + 21 (or 31) + seven-digit number
- to reach any mobile number, dial 0 + three-digit mobile prefix + six-digit number.

Dialing from Abroad

To reach a Romanian landline from abroad, dial your country's international access code, then 40 (Romanian country code), then the city code (minus the zero) and the six- (or seven-) digit local number. A call to a mobile number from abroad would follow the form: international access code + 40 (country code) + three-digit mobile prefix + six-digit number.

Calling abroad from Romania

Dial the international access code in Romania (00), then the code for the country you want to call, then the area code and number.

General emergency phone number: 112

Cellular phone technology includes 2G (GSM 900, GSM 1800), 3G (UMTS 900, UMTS 2100), 4G (LTE 800, LTE 1800, LTE 2600) – some 5G technology is available in Bucharest, Brasov, Cluj, Iasi and Mamaia. Ask your provider if you're uncertain whether your phone will work. The main providers of mobile telephone services are Vodafone, Orange and Telekom, all of which have extensive coverage of the country and also offer international calls and roaming services in a large number of countries, the United States included. Using your own phone and SIM card in Romania could expose you to expensive roaming fees, particularly for long calls or data downloads. A cheaper option is to buy a prepaid Romanian SIM card, which gives you a temporary local number and charges local (cheaper) rates for calls, texts and data transfers.

If you have a smartphone that cannot easily be unlocked, it's best to contact your home provider to consider short-term international calling and data plans appropriate to your needs. Even if you are not using your smartphone as a phone, it still makes a handy Wi-Fi device. Switch off the 'data roaming' setting to avoid unwanted roaming fees.

Romania's electrical current is 230 V; 50 cycles. [Sockets](#) take the standard continental [European dual round-pronged plugs](#). A plug adaptor is required for non-European appliances. Please remember that simple adapters do not convert voltage or frequency. A power converter is necessary for appliances requiring 110 V.

Romania is seven time zones ahead of U.S.-Eastern standard time.

Transportation

TAROM, the Romanian national airline, serves major points in Romania and Europe and is part of the SkyTeam Alliance (other members flying to Romania are: Air France, KLM, Alitalia, Aeroflot, and CSA Czech Airlines). Members of the Star Alliance with flights to Romania are: Lufthansa, Turkish Airlines, Austrian Airlines, Swiss International, LOT, and TAP Portugal. Among OneWorld Alliance members, British Airways, Qatar Airways, and Air Berlin fly to Romania. There are also a number of other regional and low-cost airlines that connect Romanian cities with cities throughout Europe. There are currently no non-stop flights to the United States from Romania.

Most major Romanian cities have airline service to Bucharest. In addition to Henri Coanda, Bucharest's airport, Timisoara, Cluj-Napoca, Sibiu, and Iasi airports are also common ports of entry.

In Bucharest, hotel chains such as Radisson, Marriott, Hilton, Ramada and Crowne Plaza provide scheduled shuttle bus service to and from the Henri Coanda Airport; rental car service is also available.

Romania is well served by an international and domestic rail system, though the country's rail infrastructure is in need of an update. Traveling by train from other European countries to Romania takes from four hours (Budapest to Arad or to Oradea) to about 31 hours (Paris to Bucharest). As most train tickets allow several stopovers en route, train travel can be an affordable and relaxing way to include Romania in a European trip. First and second-class sleepers are available for journeys longer than 10 hours and for overnight trains. Schedules of international trains to and from Romania can be obtained at: www.bahn.de or www.InterRail.eu

The domestic motorway network is extensive, but road quality in most of the country is poor. Roads in Bucharest are in a near-constant state of construction. Winter driving in Romania often requires navigating sometimes hazardous mountain passes. Driving after dark at any time of year requires care because of pedestrians, animals, or slow-moving vehicles often encountered on the roadway.

Taxis are available in every city and larger towns in Romania. They can be summoned by telephone or hailed on the street. Authorized taxis are yellow and can be recognized by the TAXI sign on the roof. All Taxis should be equipped with meters. Taxis can also be ordered by calling specialized companies which can confirm the rate/mile and approximate cost of the ride. On-demand taxi services are available at Bucharest Henri Coandă International Airport. The taxi will arrive right outside the terminal, on the first floor; you show the driver the ticket issued by the touchscreen device. Ensure that the driver activates the meter before the ride starts. In addition to taxis, you can also order a car using the Uber (in Bucharest, Cluj, Brasov, Timisoara and Iasi), Bolt (Bucharest, Cluj, Timisoara) or FreeNow (București, Iași, Cluj-Napoca, Brașov, Târgu-Mureș, Arad, Timișoara, Ploiești, Oradea, Constanța, Sibiu, Râmnicu Vâlcea, Craiova, Tulcea, Vaslui, Bacău, Galați, Suceava, Baia Mare și Botoșani).

Romanian traffic laws are very strict and breaking them may lead to suspension of the driver's license or permit for one to three months. Romanian traffic law provides for license suspension and possible imprisonment from one to five years for driving under the influence (alcohol level over 0.08% BAC) or for causing an accident resulting in injury or death. Drivers who do not utilize a seatbelt or secure their children with a seatbelt or a in a car seat, as well as drivers talking on the phone without a hands-free device, are to be fined. Despite these strict rules, however, many drivers in Romania often do not follow traffic laws or yield the right of way. Therefore, it is strongly recommended that defensive driving be the rule of thumb while driving throughout Romania.

U.S. driver's licenses are not valid in Romania. U.S. citizens must either obtain an international driving permit in addition to their U.S. driver's license or a Romanian driver's license.

Romanian cities generally have good public transportation systems that include buses, trams, and trolleybuses. Tickets for public transport can be bought at street kiosks marked "bilete" or "casa de bilete." Apps are available in the large cities. Bucharest also has an underground metro.

Language

The official language of Romania is Romanian, a Romance language using the Latin alphabet. Romanian evolved from the Latin used in the Roman colony of Dacia. English is widely spoken, as are French and German.

Health

Medical care in Romania is generally not up to Western standards, and basic medical supplies are limited, especially outside major cities. Some medical providers that meet Western quality standards are available in Bucharest and other cities but can be difficult to identify and locate. Travelers seeking medical treatment should, therefore, choose their provider carefully. A [list of hospitals and physicians](#) is available on the website of the U.S. Embassy in Bucharest.

In case of emergency, you should call the Emergency Services line at 112 (Ambulance, Fire Brigade and Police) or you may go to the Emergency Hospital in Bucharest (Spitalul de Urgenta), 8 Calea Floreasca, at the intersection with Soseaua Stefan cel Mare (Telephone: 9621, 021-230-0106, 021-230-4953), or its equivalent when outside of Bucharest.

The Department of State strongly urges Americans to consult with their medical insurance company prior to traveling abroad to confirm whether their policy applies overseas and whether it will cover emergency expenses such as a medical evacuation. It is always a good idea to purchase travel insurance for the duration of your travels, especially if your medical insurance plan only works domestically.

Americans who wish to extend their stay in Romania must purchase Romanian health insurance from the National Health Insurance Office in their area of residence for the duration of their intended stay in Romania. Useful information on medical emergencies abroad, including overseas insurance programs, is provided on the Department of State's web page, Medical Information for Americans Traveling Abroad. For more details, please consult this web link: <https://travel.state.gov/content/passports/en/go/health.html>

Local Time, Business Hours and Holidays

Local time is Standard GTM + 2 hours. Business hours are typically from 9 am to 5 pm, Monday through Friday. An updated list of American and Romanian national holidays can be found on the Embassy's website: <https://ro.usembassy.gov/holiday-calendar/>

Temporary Entry of Materials or Personal Belongings

Romania's customs authorities may enforce strict regulations concerning temporary importation into or export from Romania of items such as firearms, antiquities, and medications. Romanian law allows travelers to bring cash into or out of Romania. However, sums larger than the equivalent of €10,000 (\$11,000) must be declared. It is advisable to contact the Embassy of Romania in Washington or one of Romania's consulates in the United States for specific information regarding customs requirements.

Embassy of Romania in Washington DC: www.washington.mae.ro/en

Address: 23rd Street NW, Washington DC 20008

Phone: (01 - 202) 232.36.94; (01 - 202) 332.48.46; (01 - 202) 332.48.48;(01-202) 332.48.29; (01-202) 232 6634; (01-202) 387.69.01

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Visit the U.S. Department of State's Investment Climate Statement website at <https://www.state.gov/e/eb/rls/othr/ics/>.

Political Environment

For background information on the political and economic environment of the country, please use this link to access the <https://www.state.gov/countries-areas/romania/>