



**Koninkrijk  
der Nederlanden**

## **Romania – Economic Newsletter**

**Embassy of the Kingdom of the  
Netherlands in Bucharest**

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### **EUR / USD exchange rates against RON**

Average October 2008 exchange rates were:

1 EUR = 3.7454 RON

1 USD = 2.8131 RON

Source: National Bank of Romania ([www.bnr.ro](http://www.bnr.ro))

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## Macroeconomics

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### **1.06% inflation in October 2008**

According to the data published by the National Statistics Institute the inflation was of 1.06% in October 2008, as compared to the previous month. The same source shows that the year-on-year inflation rate (October 2007 – October 2008) was of 7.9%.

### **Average wage in September 2008**

According to the data published by the National Statistics Institute, in September 2008, the net average wage was of RON 1,296, with 1.5% higher as compared to the previous month.

### **Unemployment in October 2008**

According to the data published by the National Employment Agency (ANOFM), the unemployment rate in October 2008 was of 4%.

### **Central bank keeps key interest unchanged at 10.25%**

The National Bank of Romania (BNR) announced on October 30 the Board's decision to keep the monetary policy interest rate unchanged at 10.25% per annum. The Central Bank Board also decided to manage liquidity so as to ensure the proper functioning of the interbank market.

### **International reserves of BNR**

Romania's hard currency reserves totalled 28.10 billion euros in end-September 2008, that is a growth by EUR 101 million, a BNR release announced on October 1. Inflows of hard currency stood at EUR 1.125 billion, while exits totalled EUR 1.024 billion. The gold stock held steady at 103.7 tonnes. However, following the developments in the world price of gold, its value increased up to EUR 2,081 million, taking the international reserves of BNR (foreign currencies and gold). In October 2008, payments due on public and publicly guaranteed external debt amount to EUR 46 million.

### **Economic growth to score 4.6% of GDP in 2009**

The economic growth is expected to attain 4.6% and the current account deficit 13.3% of the GDP, in 2009, BNR's vice governor Cristian Popa announced on October 28.

### **IMF improves estimates about Romania's economic growth**

The International Monetary Fund (IMF) estimates that Romania will report in 2008 a real growth of the Gross Domestic Product (GDP) of 8.6% after a 6% growth in 2007, reads the latest report pertaining to the outlooks of the world's economy, published on October 8 in Washington. The new estimates included in "World Economic Outlook" shows that the Fund significantly improved the estimates referring to the economic growth pace registered in Romania this year, considering in April the Fund staked on an economic growth of only 5.4%. The fund warns, however, that next year Romania's real economic growth will slow down to 4.8%. As regards the inflation at the end of the year, the International Monetary Fund stakes as regards Romania a rate of 7.9% in December 2008. Allowing for the average inflation rate, the International Monetary Fund forecasts an average inflation rate for Romania worth 8.2% in 2008. The current account deficit will draw near this year to the level of 13.8% of the GDP, down compared to 14% of the GDP in 2007. In the outlooks made public this spring, the International Monetary fund anticipated a current account deficit of 14.5% of the gross domestic product in 2008. In June 2008, the regional representative of the International Monetary Fund for Romania and Bulgaria, Juan Jose Fernandez Ansola announced that the International Monetary Fund will positively revise Romania's economic growth, which will be significantly higher over the previous year.

### **Failed attack over domestic currency and its consequences**

On October 20, following a high increase of the interest rate on the monetary market, Central Bank organised a press conference on what Governor Mugur Isarescu called "failed attack over the leu currency". He explained that the raise in the interest rate on the monetary market shows that there is a special situation and that malfunctions have emerged. He underscored that there has been "a failed attack over the leu currency", referring to speculative operations. Consequently, on October 25, the board of the Central Bank decided to modify the norm which governs the inter-banking monetary market as follows: In case in which the level of ROBOR interest rate exceeds with 25% BNR credit facilitation interest rate level (LOMBARD), the Central Bank can temporarily suspend publication of ROBOR indicators calculated on the base of

participating banks' quotations. In this situation, BNR will publish ROBID/ROBOR indicators established as follows: ROBID on all maturity rates, at the level of the credit facilitation interest rate of the central bank. This modification is to enter into force in the next working day of the publication in the Official Gazette.

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## **Financial crisis**

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### **External crisis and big business in Romania**

The Romanian real economy takes over the adjustment prompted by the international financial turmoil, harmed being the big businesses from the automotive industry, retail and real estate. Automobile Dacia, Romania's third private company, shuts down the Mioveni-based plant of Arges county (southern Romania) for four days over October-November in order to adjust the production to the falling demand. Other manufacturers of car components are compelled to reduce production. For instance, daily Ziarul Financiar informs that the employees of the three plants of Takata Petri Romania, the third manufacturer of car components will be sent home for one day without being paid. In the real estate sector the transactions tumbled in the third quarter, the value of the deals being of EUR 140 million, less than a quarter compared to the same period of the previous year, whereas at the relevant fairs real estate developers no longer manage to conclude sell contracts and the number of reservations is pretty low. The diminution in the appetite for consumption is seen in the automotive industry. A Ford dealer, cited by the aforementioned daily, said it delivers four times fewer cars a day compared to the situation of three-four months ago. In the food retail market Carrefour, the biggest operator of hypermarkets reported in the third quarter a rise in sales of 5.6% (with the same number of shops) , compared to the same period of 2007, twice lower than in the second quarter of the year. In the beer industry, one of the most dynamic segments in Romania, companies limited the advertising budgets, which decreased three times in September this year compared to the same period of 2007. The list of big business hit by the crisis carried by daily Ziarul Financiar continues with TAROM airline, the biggest air company on the local market, which in Q3 reported falling results (down by 8%) and which has not faced a shrinkage in the number of passengers over the past years. Investors in the stock exchange reported only for the 4<sup>th</sup> week of October losses of almost 20% on BET index. The most harmed were the investors in financial investment companies, whilst in the latest five trading sessions a third of the funds. The capitalization of Petrom, the biggest company in Romania, went down 25% on the stock exchange, reaching EUR 2.3 billion. The reduction of the consumption of fuel because of the diminution in the purchasing power is only one of the effects anticipated by local oil companies in the context of the prolongation of crisis on international markets, the same daily informs, emphasizing that in the pharmaceutical industry, the international situation will generate the revision of rising estimates this year, while in 2009 it will prompt more conservative budgets, personnel layoffs and operations margins, for some players.

### **IT&C retail and distribution sector affected by crisis**

The Romanian IT&C sector began to feel the effects of the international financial crisis mainly in the retail and distribution sector. Romsoft and Flamingo, two of the most important players on the IT&C retail local market, have implemented the first strategy modifications, following a consumption decrease. The retail company Romsoft, operating under the brand Depozitul de Calculatoare announced the closing of 12 stores of the 28 opened this year currently making losses, due to the financial turmoil and exchange rate fluctuations. In its turn, Flamingo said it would revise its financial assessments and development plans for 2009, provided that the consumption would slow down, at least in the first half of next year, the Business Standard reports.

### **Car market, in decline**

Romania's car market will reach next year below 300,000 units, and a level of 339,000 units is estimated for this year, said the president of Automobile Dacia, Francois Fourmont. Amid the toughening of the lending conditions and growth of the used car market, Automobile Dacia, which has recorded a slowdown in sales in the past months, has revised downwardly the production level forecast for 2009 to 260 - 270,000 units versus the 320,000- unit objective estimated at the start of 2008. Most of the car subassembly suppliers will face difficulties in the context of the world crisis. "Some 300 of the subassembly suppliers, companies of level 2 and 3, namely the companies that do not supply directly the components to the carmakers, are doomed in the current economic context", said Constantin Stroe, vice-president of Automobile Dacia and chairman of the Romanian Carmakers' Association (ACAROM). The crisis in the car industry has

suspended hirings by carmakers, car subassembly makers and by dealerships, say the representatives of the relevant industry, quoted by Business Standard. 'The automotive companies are no longer hiring workforce and are focusing on keeping the existing one', said Constantin Stroe. The fall in the sales of new cars will have effects both on the workforce due to the cut in production and on the future investments. 'A 5% fall of the market leads to a 55% fall in the workforce in this sector, namely 7,500 jobs. Another effect may be the postponement of the investments in this sector', Brent Valmar, vice-president of the Car Makers and Importers Association (APIA) and general manager of Porsche Romania, told the said daily. The cumulated turnover of the car market in Romania will exceed this year EUR 11.5 billion, which includes both the results of the carmakers and those of the car part ones, representing over 9.5% of GDP, according to APIA.

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## International Trade

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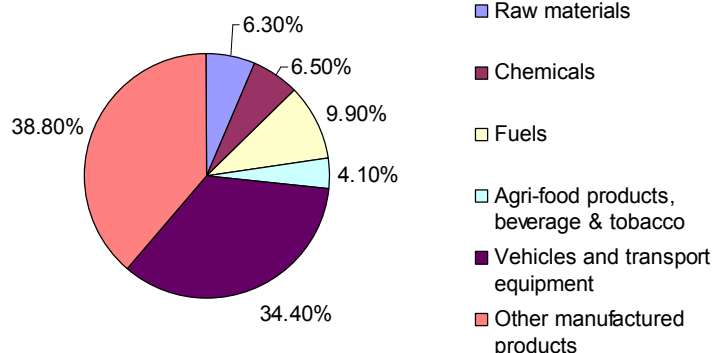
### EUR 2.34 billion trade deficit in September 2008

Data published by the National Statistics Institute shows that FOB exports in September 2008 were in value of EUR 2.92 billion, up 16.6% as against September 2007, while the CIF imports were of EUR 5.25 billion, up 24.5% as compared to the same period of last year. As a result, trade deficit for September 2008 was in value of EUR 2.34 billion.

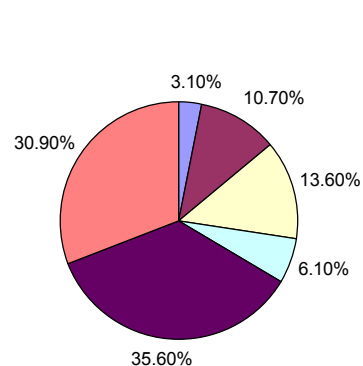
	FOB exports		CIF imports		FOB/CIF balance (billion EUR)	
	Value (bill. EUR)	% as against Sept. '07	Value (bill. EUR)	% as against Sept. '07	Sept. 2008	Sept. 2007
Intracommunitarian trade (EU 27)	2.1	115.2	3.48	115.9	-1.38	-1.18
Extra-communitarian trade (extra EU 27)	0.814	120.4	1.77	145.7	-0.96	-0.54
<b>TOTAL</b>	<b>2.91</b>	<b>116.6</b>	<b>5.25</b>	<b>124.5</b>	<b>-2.33</b>	<b>-1.72</b>

See graphs below.

**January - September 2008 FOB Exports breakdown on main categories of goods**



**January - September 2008 CIF Imports breakdown on main categories of goods**



**Amendments concerning the shipment of hazardous and non-hazardous waste**

The Romanian Government issued Government Decision no. 1061 dated September 10, 2008 regarding shipment of hazardous and non-hazardous waste. The Government Decision abolishes the Order of the Minister of Agriculture, Forestry, Environment And Waters, of the Minister of Transport, Constructions And Tourism, and of the Minister of Economy and Commerce no. 2/211/118/2004 concerning the approval of the Procedure for settlement and inspection of shipments of waste on Romania's territory. Some of the major changes are: • Shipments of non-hazardous waste can be made only on the basis of a non-hazardous waste loading / unloading form, issued in three copies; • The approval form for shipments of hazardous waste has to be issued in six copies, as opposed to five previously; • For shipments of hazardous waste of less than one ton/year, the consignee submits one copy of the hazardous waste expedition / shipment form, signed and stamped, to the Local Agency For Environmental Protection of dispatch; • The fine for non-compliance with the hazardous and nonhazardous waste shipment procedure has been increased from RON 7,500-10,000 previously to RON 10,000- 20,000. See: *Official Gazette, Part I, no. 628/29 August 2008.*

**The exchange rate for excise duty computation in 2009**

The exchange rate to be used for excise duties computation in 2009 is 3.7364 RON / EUR. See: *Official Journal of the European Union no. C 250/2 October 2008*

**Batteries, accumulators, waste batteries and accumulators' regime**

The Romanian Government issued Decision no. 1132 dated 18 September 2008 on batteries and accumulators ('batteries') and waste batteries and accumulators ('waste') regime, amending Decision no. 1.057/2001. The main amendments brought by the new Decision are: • Interdiction to place on the market portable batteries (including those incorporated in appliances) containing more than 0.002% cadmium by weight. • Producers wishing to place batteries on the market are required to register with the National Agency for Environmental Protection. After 26 September 2008 the only types of batteries that can be placed on the market are those that fulfil the provisions of this Decision. Existing producers should register by 30 April 2009. • Distributors are prohibited from selling batteries originating from unregistered producers. • Producers are required to keep records of batteries for a five year period (compared with three years previously). • Producers should organise a proper waste collection, either individually or by transferring this responsibility to a collective organisation (i.e. a legally set-up economic operator). • The procedure for registering battery producers and the criteria for approving the collective organisations should be issued within 60 days of the date of entry into force of the Decision. • The fines for non-compliance with the provisions of this Decision have been increased from RON 100 - 10,000 to RON 2,500 - 30,000. In addition, batteries that do not comply with the provisions laid down in this Government Decision can be withdrawn from the market. The Decision also introduces the definitions of specific terms such as: - producer: any person from an EU Member State who places batteries, including those incorporated into appliances or vehicles, on the Romanian market for the first time, on a professional basis and irrespective of the selling technique used. - distributor: any person who provides batteries on a professional basis to an end-user. - placing on the market: supplying or making batteries available to a third party, whether in return for payment or free of charge on its territory, and includes import into the customs territory of Romania. The Decision entered into force on 26 September 2008. See: *Official Gazette, Part I, no. 667/25.09.2008.*

**On-line payments of duties, taxes and other contributions to the consolidated budget by natural persons using bank cards**

The National Agency for Fiscal Administration order no.718/2008 established the categories of duties, taxes and other contributions to the consolidated budget that can be paid online by natural persons using bank cards. The order came into force on 1 October 2008. To this aim, the National Agency for Fiscal Administration has published on its web site the detailed list of tax liabilities that can be paid online to the consolidated budget using bank cards. Online payments can be made via

the Online Payment Counter ([www.ghiseul.ro](http://www.ghiseul.ro)), a portal administered by the Agency for the Services of Informational Society, an institution under the Ministry of Communications and Information Technology.

### **Methodology instructions regulating trade registry records, registrations and disclosure of information**

The Methodology instructions approved by Order no. 2594/C of the Justice Minister (the "Methodology Instructions") regulate - in a consolidated form - the procedures for keeping trade registry records, registration and disclosure of company-related information. The applicable European and Romanian legislation was taken into account in preparing the Methodology Instructions. The new provisions in the Methodology Instructions refer mainly to the amendments and supplements to Company law ("Law no. 31/1990"), as follows: • the trade registry registration

procedures are also regulated for European companies, European cooperative companies and economic interest groups with headquarters in Romania. • the procedure for registering cross-border mergers with the trade registry, as regulated by Law 31/1990, is stipulated. See: *Romanian Official Gazette no. 649/12.IX.2008, part I.*

### **Law no. 202/2008 – Amendments of the Romanian Labour Code**

Law no. 202 amending the Romanian Labour Code has been published in the Romanian Official Gazette. According to this law an additional three days are now statutory holidays for employees: • the first and second day of Pentecost (a Christian feast held on the fiftieth day from the first day of Easter), and • Assumption of the Virgin Mary (15 August). Under these amendments the Romanian

Labour Code considers the following days to be statutory holidays on which no work is performed:

• 1 and 2 January; • the first and second days of Easter; • 1 May; • the first and second day of Pentecost (in Romanian "Rusalii"); • Assumption of the Virgin Mary (in Romanian "Adormirea Maicii

Domnului"); • 1 December; • the first and second days of Christmas; • two days for each of the two annual religious holidays, declared as such by non-Christian legal religions, for people of those religions. See: *Romanian Official Gazette no. 728/28 October 2008, part I*

*With thanks to PriceWaterhouseCoopers Romania – Tax Department*

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## **EU funds**

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### **Projects of over EUR 2.5 billion within Regional Operational Programme**

Minister of Development, Civil Engineering and Housing Laszlo Borbely said on October 6 in Targu Mures that projects of over EUR 2.5 billion had been submitted within the Regional Operational Programme (POR). "For the time being we have projects submitted for EUR 2.5 billion out of EUR 4.4 billion, out of which not all will be eligible. Over 770 projects are currently evaluated and we have the ambition to sign contracts of EUR 800,000 – 1 billion for 500 projects", said Laszlo Borbely. The minister explained that over EUR 4 billion is allocated through POR for the development of Romania's areas, in the 2007-2013 period. According to him, 2007 was the year of the negotiations with the EU and 2008 is the year of submission of projects. "All the axes within POR have been launched. The last axis, Axis 1, will be published these days in the Official Gazette, but the applicant's guide can be found on the website of the ministry as early as May. Those, those who were interested had the possibility to draw up the projects for accessing EU funds", Borbely said. *Source: Agerpres.*

### **EUR 1.9 billion co-financing for National Rural Development Programme**

The total value of the funds for co-financing the financial contribution granted Romania by the EU from the European Agricultural Fund for Rural Development (FEADR), through the National Rural Development Programme /PNDR/ 2007-2013, amounts to some EUR 1.948 billion (lei equivalent), according to a decision adopted in the Government's sitting on October 8. Thus, for 2008, the co-financing amounts to EUR 278.47 million, for 2009 - at EUR 350.4 million, for 2010 – EUR 330.22 million, for 2011 – EUR 329.75 million, for 2012 – EUR 330.07 million, and for 2013 – EUR 329.35 million. Under article No. 16 of the European Council's Regulation 1698/2005 and under the PNDR, completing the financial contribution granted by European Council from FEADR is ensured annually by the state budget. The Payment Agency for Rural Development and Fishery (APDRP) can commit expenditures through the financing contracts only in the limit of the sums established for each measure and communicated by AM-PNDR. In the 2007-2013 period, the EU contribution

given Romania for the measures of rural development stands at some EUR 8.022 billion, out of which EUR 7.522 billion represents the funds allocated through PNDR. *Source: Agerpres.*

### **Development Minister kicks off ROP Axis 1**

Minister of Development, Public Works and Housing Laszlo Borbely declared on October 27 in the western city of Timisoara that Axis 1 of the Regional Operational Program (ROP), dealing with integrated urban development worth EUR 1.4 billion of which 50% assigned for the national growth poles, will kick off next week. 'Timisoara is one of these growth poles and in order to access the EUR 700 million, these cities need to join in an inter-community association and have a medium-run development strategy in place,' said the Minister. Laszlo Borbely announced that he would propose the government to start as of 2009 a separate program financed from national funds dedicated to the local and regional infrastructure. There are currently several projects financed from the state budget with some EUR 2.5 billion, which is twice the amount set forth under the ROP until 2013, said the Minister. Borbely attended in Timisoara the signing of the first financing contracts to be carried out in the Western region under ROP 2007-2013. The five contracts refer to the upgrading of four road segments, one of which is part of the Moneasa sightseeing route in the County of Arad. The other stretches are located in the counties of Arad, Hunedoara and Timis and are worth a total of almost RON 200 million - that is over EUR 53 million. *Source: Agerpres.*

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## **Foreign investment**

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### **Foreign investment at the end of September 2008**

According to the provisory data published by the National Office of the Trade Registry, at the end of September 2008, there were 157,393 companies registered in Romania with foreign participation in social capital, total foreign investment amounting to EUR 21.13 billion. The top of the first five foreign investors was led by the Netherlands, with 3,386 companies registered and total invested capital of EUR 4.23 billion, followed by Austria with 5,293 companies and a total investment of EUR 2.66 billion, Germany with 16,415 companies and a total investment of EUR 2.27 billion, France with 5,776 companies and an investment of EUR 1.8 billion, and Italy with 26,457 registered companies and a total investment reaching EUR 0.96 billion.

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## **Finance & banking**

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### **Government approves increase in retail deposit guarantee cap**

The retail deposit guarantee cap has been increased from EUR 20,000 to 50,000, through an emergency ordinance adopted by the Government on October 14. PM Calin Popescu-Tariceanu said that if the EU decided to remove the cap, Romania would do the same. "In Romania, over 99% of deposits are below this cap,' he said. On October 6, in Luxembourg, the EU finance ministers decided to increase from EUR 20,000 to at least EUR 50,000 the retail deposit guarantee cap. *Source: Agerpres.*

### **Romania to adopt SEPA money transfer system**

President of the Romanian Banks Association (ARB) Gratian Ghetea announced on October 16 that following a proposition by Transfond, the authorities decided the adoption of the SEPA money transfer system in local lei. "We decided to adopt the SEPA system in lei following a proposal by Transfond, which intermediates payments in the local currency in Romania, specifically that it might set a payment system in place for both the banks that adopted the SEPA system and standard and those that did not to work with, without the entities operating in the system to be affected whatsoever," said Ghetea. In the Single Euro Payments Area (SEPA) system proposed by the EU, all bank transfers are considered domestic payments. Ghetea said that he would ask Transfond to prepare the project. *Source: Agerpres.*

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## **Energy**

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### **Govt approves establishment of National Energy Company**

The government approved in its October 8 session the Emergency Ordinance for the establishment of the National Energy Company that will gather under one umbrella 50% of the electricity generating capacities and the three electricity distribution companies still under state ownership, Premier Calin Popescu-Tariceanu told a press conference at the end of the government's meeting. "What happens these days in global economy makes you better

understand that small companies cannot resist this tough competition of large-sized companies," said the Premier, adding that the energy sector is split into small companies that lack financial power and are incapable to resist competition or to finance themselves for upgrading and better comply with the increasingly stricter environmental regulations adopted by the European Union. Premier Tariceanu added that the new entity that will be provisionally named 'Electrica' will manage assets worth between EUR 20 and 24 billion. *Source: Agerpres.*

### **Romania to host Forum for Sustainable Energy**

Romania will host the half-year session of the Forum for Sustainable Energy of the European Union for the next four years, the Romanian Ministry of Economy and Finance (IMF) reports. Romania's offer to play host to the session of the Forum for Sustainable Energy was approved by a meeting in Luxembourg of the Council for Energy. The first meeting in Romania of the forum's session will take place in the first half year 2009. Providing the secretariat services will be the Romanian Agency for Energy Conservation in cooperation with the Romanian Ministry of Economy and Finance, the Romanian Foreign Ministry and the European Commission. The forum gathers officials of the European Union member states in the area of energy efficiency and renewable energy sources, officials of the European Commission, as well as officials of industrial associations and international organisations financing energy efficiency and renewable energy sources. *Source: Agerpres.*

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## **Infrastructure & transport**

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### **Transport submits ISPA projects worth a total of EUR 1.64 billion**

Transport submitted projects with European funding, under ISPA pre-accession programme, worth EUR 1.64 billion, four of the 20 projects have already been finalized, read data from the Ministry of Transport. Of the EUR 1.64 billion (eligible costs), EUR 1.22 billion is the contribution of the European Union, under ISPA pre-accession funds. In ISPA-transport sector, submitted were 20 projects, materialized in 96 contracts concluded, the highest value is that of road transport – EUR 672.99 million, here Romania's contribution stood at EUR 171.4 million, with ISPA having allocated more than EUR 501 million. For rail transport allocated were EUR 332.67 million, of which Romania's contribution stood at EUR 80.8 million, and the EU allocated EUR 332 million. Also, the Ministry of Transport submitted projects worth EUR 150.96 million in the naval field, with the contribution of the European Union standing at EUR 110.16 million. In the road field, among the projects financed with ISPA funds, there are the extension to four lanes of the national road between Bucharest and Giurgiu, the construction and rehabilitation of two sections of the motorway between Bucharest and Cernavoda, the rehabilitation of national road 6 between Craiova and Drobeta Turnu Severin, the construction of the ring road of Sibiu, the construction of a road between Deva and Orastie, at motorway standards, the ring road of Lugoj and repair works on the roads affected by the floods in 2005. In the rail sector, the projects made with ISPA funding are the rehabilitation of a rail sector between Baneasa and Fetesti, the rehabilitation of a railway between Campina and Predeal, the rehabilitation of the rail infrastructure stricken by the floods in 2005. In naval transport, the funded projects are conditions for navigation of the sector between Calarasi and Braila, the road and rail infrastructure of access to the bridge over the Danube, at Calafat-Vidin. In the opinion of Transport minister Ludovic Orban, the projects financed will be finalized until the end of 2010, according to an implementation programme. European Commissioner for regional policy Danuta Hubner said ISPA has to be finished by the end of 2010, some 58% of the funds available are still to be absorbed, for transport and environment, amounting to EUR 1.1 billion. *Source: Agerpres.*

### **Contract for construction of Constanta-Budapest high-speed railway to be signed in 2009**

The contract for the construction of a high-speed railway between Constanta (southeast, at the Black Sea) and Budapest will be signed in 2009, Romanian Transport Minister Ludovic Orban said on October 7, on the occasion of the Railway Days. "This contract will be signed in 2009 as a step towards normality as it is unacceptable that an European Union country does not have such a railway," the Transport Minister said. He underscored that at present, the Romanian Railways (CFR) is preparing the task notebook for the auction through which the feasibility study of the line will be conducted. As regards the liberalization of the rail transport in Romania, the CFR representatives said that the passenger transport will be liberalized in 2012, while the freight transport in 2010, on the the Pan European Corridor 4 between Constanta and the western

border. The high-speed line Constanta-Budapest, will be 800 kilometres long and might cost over EUR 12 billion, given that 1 kilometre of railway costs between EUR 15 and 25 million. There are currently over 5,500 kilometres of operational high-speed line in Europe, another 3,400 are under construction while 8,500 kilometres are in a project phase. *Source: Agerpres.*

### **Otopeni Airport to start construction of new passenger terminal in 2011**

The Henri Coanda - Otopeni International Airport will start the construction of a new terminal that will have a total capacity of approx. 20 million passengers a year upon the works completion. The construction works of the new terminal (the first of the four terminal modules, each having a capacity of 5 million passengers a year) are to be initiated in January 2011, the management of the Otopeni airport told Agerpres. 'The pace of these works will be directly correlated with the traffic increase in order to prevent terminal overcrowding and service reduction, as well as the situation in which a significant part of the infrastructure would be completed, but not used leading to increased exploitation costs', communication manager of the airport Valentin Iordache said. The works will begin after the conclusion of the third development stage of the airport, which will increase the airport capacity to roughly six million passengers a year. The third stage of the enlargement process plans the extension of the boarding lounge up to 12 passenger-boarding bridges and the connection to the two terminals. At the same time the international departures and the arrivals lounges will be extended by 50%. The airport's flows will be updated in compliance with the Schengen Agreement, will be provided with a modern official lounge, the runway 1 will be upgraded and a new parking will be built. The pre-feasibility/feasibility studies for the program relating to the long-term development of the airport infrastructure started in 2007. The program is aimed at developing the related road and rail transport infrastructure in order to secure the access to the eastern part of the airport. A new passenger terminal and a multi-purpose cargo freight platform will be also built. Also to be built are a 4-km railway, a 4-km subway, a multi-level underground station, a business centre of about 5,000 sqm and a 200-room hotel. In 2007 Otopeni Airport passenger air traffic registered a rise of about 30% as compared to 2006, the same as during the first months of 2008.

### **President Basescu: Danube should occupy an important place on the EU agenda**

Romania's President Traian Basescu said on October 6 in Brussels that the Danube River should occupy a special place on the agenda of the European Union (EU), particularly within the Community transport system. The Romanian head of state delivered a speech to the opening of an international conference on the Danube as a river of the future Europe. Basescu said the Danube should become a dorsal spine of the European area as part of the Rhine-Danube axis. "This major transport corridor is a huge untapped potential of the EU to link in a sustainable way the sea areas of the North-West and the South-East Europe to the vast water basins of the regions which the two rivers cross," said Basescu. In his opinion, the opportunities offered by the EU policies in fields such as transport, energy, water supply resources, tourism, agriculture, fisheries and regional cooperation should be capitalised on to a maximum. Basescu said that the commercial use of the Danube is more reduced compared with road and railroad transport networks within the EU internal market. "The freight shipped on the Danube indicates a poor use of the existing potentials, not only when compared with the Rhine, but also when compared with smaller navigable routes in Western Europe. There are some 350 million tonnes of freight transported on the Rhine each year, while on the Danube, which is a larger navigable waterway, only some 60-70 million tonnes of freight are carried," said Basescu He pointed out that transport on inland waterways is a competitive alternative to road and railroad transport, less expensive, but more secure and more efficient in terms of energy resource utilization. Basescu added that the time has come for the EU to focus on a strategy for the river axis that crosses its territory from the North Sea to the Black Sea, a strategy that would capitalise on the huge cooperation potentials existing in the Danube basin. *Source: Agerpres.*

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## **Environment & water**

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### **Hidroelectrica revises 6 plant with EUR 1.28 million**

State-owned power producer Hidroelectrica plans to assign more than EUR 1.28 million for modernizing works at 6 hydro centrals. The company plans to organize an auction to select the partner which will be in charge with the workings during a contract calculated to last 2 years. In the beginning of 2008, the company accepted the offers coming from 8 companies and 3 consortiums interested in buying 16 power hydro centrals estimated at EUR 6.9 million. The power stations will be sold following 5 auctions organized by Hidroelectrica. *Source: BR Daily*

### **Minister of Environment attends ribbon-cutting ceremony for waste shredder**

A waste shredding installation with a monthly capacity of 12,000 tons of waste and a recovery rate of over 85% of the processed material was inaugurated on October 15 in Bucharest in the presence of Minister of the Environment and Sustainable Development Attila Korodi; the investment amounts to EUR 2.4 million, reads a Ministry release to Agerpres. According to the Minister Korodi, the new facility outperforms by far the classical waste recovery centers that have a recovery rate of 50% at the most, and complies with the relevant EU directives. In the Minister's opinion, such an installation was necessary in Romania, the more so as 70% of the national car fleet already has completed 13-14 years of service and in just a few years Romania will have to manage a considerable amount of waste from dumped cars. "Although this installation significantly rises the recovery rate compared to classical equipment, some 15% of the processed waste is still harmful to the environment. Without sorting and treating non-metal waste like plastics and rubber we cannot speak about a non-polluting technology. That's why a post-shredder installation to process mixed non-ferrous waste resulted from the shredder was also necessary," underscored Korodi. The installation capable of separating by weight each component that cannot be recovered in the shredder is financed from the Environment Fund with almost EUR 1 million of investment's total of EUR 2.4 million. 'As you can see, the installation is almost fully mounted; the final tests will start at the end of this month and the facility will start operating in November. The shredder's performance will soon translate into compliance with the environmental standards Romania needs to meet by ensuring adequate measures and investments,' added Attila Korodi. *Source: Agerpres.*

### **Public authorities to purchase green products from 2009**

As much as 7% of the total acquisitions to be made by the public administrations next year will have to be green, with such rate to go up to 13% by 2013, Minister of Environment and Sustainable Development Attila Korodi said on October 29 at a conference on green products and solutions offered by the IT&C industry. 'When speaking of the equipment in the information technology sector, our voluntary target that we recommend the public authorities this year is 5%, but the target becomes compulsory from 2009, when it rises to 7% and it will go up to 13% by 2013', Korodi said. The act regulating the national action plan for green public acquisitions is currently undergoing assent by the various relevant ministries and it is to be approved by year-end. 'The national public acquisition plan refers to all we consume at the office, it refers to the computer technology equipment, the paper consumption, energy, water consumption, it refers to furniture acquisitions and construction. Some targets are voluntary, such as those related to construction or furniture, but the targets related to paper, computer technology equipment are compulsory as early as from next year', he stressed. The minister explained that the plan means that the Romanian public authorities have the obligation to introduce environmental-related requirements in the public acquisition criteria. 'Eco-friendly acquisitions mean a solution for spending the public money more responsibly since by purchasing such green products and services we directly contribute to sustainable development, therefore we save financial resources on the medium- and long-term', Korodi said, adding that the public acquisition market currently amounts to more than RON 500 million. The environment minister attended the Green IT&C Conference on Wednesday that focused on the need to promote and use the green products and solutions in the IT&C industry amid the fight against global warming, given that this industry produces 2% of the global carbon dioxide emissions, the same as the aviation industry. *Source: Agerpres.*

### **ANAR: Black Sea ecosystem balance is quite fragile**

National Romanian Waters Administration (ANAR) made an appeal to all the relevant Romanian authorities, on the occasion of the International Black Sea Day, to pay attention to the very fragile ecosystem in the Black Sea area. "Although currently passing through a slow, but continuous, renewing process, the marine ecosystem in the Black Sea area might become very vulnerable in the context of the persistence or increase of the human impact, ecological accidents, or effects of the climate change," general manager with ANAR Marius Postelnicescu said. At the same time, the ANAR head insisted the regime of the protected marine areas, covering more than 71% of the Romanian seaside, totally needs to be observed, with such investments in the purifying stations to be carried out as soon as possible. He also added that there is need of systematic control on how the protected marine and coast areas are preserved and protected, and also on eradicating accidental pollution, and revising of the hygienic conditions on the beaches. *Source: Agerpres.*

**Romania presents its CAP revision priorities**

During the EU Agriculture and Fisheries Council of October, Romania presented its three main priorities in the field of agriculture which it would like to see included in the so-called Health Check of the Common Agriculture Policy (CAP). According to the Romanian Agriculture Minister Dacian Ciolos, the three priorities are the speeding up of the equalisation of subsidy levels in old and new member states; preserving the market intervention mechanisms, and postponing until 2016 the implementation of the animal welfare norms for farms. With regard to the first item, equalising subsidies between old and new member states, Romania suggested two possible solutions: on the one hand, the use of funds at the disposal of the European Commission which have not been used for intervention measures, and on the other allowing the new member states to increase the top-up, which is an additional per hectare payment paid out from the national budget. The second requirement of Romania in relation to the CAP Health Check is preserving the market intervention mechanisms, contrary to the European Commission's suggestion to discard them. Minister Ciolos argued that although cereal prices are now higher, situations may occur in the future that will drag prices down, and the intervention mechanisms could be useful in such instances for the protection European farmers. Ciolos mentioned that various EU member states required the same and the French presidency of the European Council would back up the idea. Romania's third requirement regards the postponement of the implementation of animal welfare norms on farms, based on which CAP subsidies are conditionally paid. When the relevant Community regulation was amended in 2007, Romania was granted a postponement until 2014 as far as implementation was concerned. And yet, Ciolos argued that a two-year prolongation of the postponement would be requested in order to allow Romanian farmers to make the necessary investments. Farmers, he said, need to invest in production that boosts productivity and only after they will be able to make other non-productive investments that are required to get in line with certain norms. The Romanian minister also explained that Romania had talks with the other new member states in order to harmonise their stances on the revision of the CAP in order to increase each country's chances of achieving what they want. The French presidency of the EU will look into the priorities of all the member states and come up in November with the first version of a political compromise on the CAP Health Check. *Source: Agerpres.*

**Romania might export some 400,000 tonnes of beef annually**

Romania might have some 350,000-400,000 tonnes of beef available for export annually, by improving the breeds of cattle and by obtaining meat-producing hybrids, according to the deputy managing director of the National Agency for Animal Improvement and Reproduction. Currently, Romania has 3.2 million cattle, 1.75 million of which being meant for milk and reproduction, Cristinel Sonea said. 'About 700,000 cows of the total cattle stock can fulfil Romania's milk quota, which means that we might get more meat-producing cattle by cross-breeding. At present, roughly 32% of the total cattle are dairy cows of Holstein breed, while the remainder are mixed dairy and meat breeds', he explained. The percentage of dairy cows will go up to 35% in the next five years, as Romania imports about 10,000-20,000 dairy cows annually from countries having a long-standing tradition in animal breeding. *Source: Agerpres.*

**Acquisitions on the dairy market**

The Albalact company of Alba Iulia (central Romania), the fourth player on the Romanian market of dairy products entered the segment of cheeses, following the acquisition of a 77% stake in Raraul Campulung Moldovenesc (north-eastern Romania). Raraul has a market value of some EUR 4 million, sources from the dairy industry told daily Business Standard. Officials of Albalact said they chose Raraul because it is a company with a long tradition on the domestic market. Besides, Raraul's strategic position, which holds assets in one of the most important basins of raw milk in the country, was another advantage. 'We hope, therefore, to become one of the main partners for raw milk producers in the region. Once we enter the region, we will pay more attention to the distribution of products in eastern Romania,' said an Albalact official. Raraul announces investments of over EUR 2 million for the increase in the production of cheeses. The domestic market of dairy products is appraised by experts at around EUR 1 billion this year. The main producers are Friesland, Danone, Albalact, Brailact and Covalact. The domestic market of dairy products is one of the most dynamic, as over the past years big names have entered the market such as Tnuva, Lactalis and Muller, whereas Covalact was taken over by the American investment fund Sigma Bleyzer Southeast European Fund IV (SBF IV). Raraul is one of the main local players for dairy products, being under the scrutiny of foreign investors for a few years now. The company's portfolio encompasses traditional products such as cheeses, butter, sour milk and

powder milk, being authorised to trade products on the EU market. One year ago Raraul reported EUR 4.8 million in turnover and EUR 132,833 as net profit. The company turned private in 1994, being one of the first MEBO type privatisations on the Romanian market of dairy products. Albalact reported last year a turnover worth EUR 46.8 million and net profit of EUR 960,615. The main shareholders are the Ciurtin family and the investment fund RC2. *Source: Agerpres.*

### **Exports of foodstuffs, up by 20% in 2008**

Foodstuff exports will register a growth of almost 20% in 2008, down by 5.8% compared to the growth pace in 2007, according to a prognosis published by the National Prognosis Commission. For 2009, the CNP prognosis shows a lower rate of export growth in the food industry sector, of 17.5% only. In the past three years, foodstuff exports registered an annual growth rate of 15%, similar to that of total exports which stood at 15.8%, but the reversing of the ratio between the two dynamics is significant. If in 2005, the rise in the exports of food products (8.8%) represented about half of that of total exports, in 2007, this branch was one which supported Romanian exports, with a 25.6% growth, or 13.7% of all exports. For 2008 and 2009, CNP estimates that the food industry sector has the capacity to maintain the dynamics of exports above that of total exports, contributing to an improvement in the trade deficit. Regarding the import of foodstuffs, the CNP prognosis shows that it is possible that the dynamics of food imports continues to slow down, to 15.8% in 2008 and 9.4% in 2009, while in 2007, imports saw a 31.1% growth. According to CNP, the period 2005-2007 was characterized by a strong dynamics of imports, much above that of exports. But the difference between the two flows diminished constantly, from 26% in 2005, to less than 6% in 2007, which shows indirectly the capacity of the national supply to cover domestic consumption. The deficit reported in the trade with foods and beverages represented, on the average, ten percent of the total deficit, over 2005-2007. Data from the Ministry of Agriculture and Rural Development show that last year, the agri-food imports reached EUR 3.25 billion, while exports slightly exceeded EUR 1.1 billion. *Source: Agerpres.*

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## **Retail**

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### **Modern retail gains ground**

Modern retail in Romania continues its rapid development pace, both related to numbers and value but, in contrast to the Western countries, the top three retailers according to sale volume of consumption goods - Carrefour, Kaufland and Billa - hold together less than 20% of the market, a three times lower weight than the 65% recorded by countries in northern Europe, says a study of the market research company Nielsen. The main international retail groups present locally are Metro, Rewe, Carrefour, Auchan, Lidl&Schwarz, Tengelmann, Delhaize and Spar. As local players, hypermarkets Pic and discount chain MiniMax stand out. In July 2008, Romania had 38 hypermarkets and 123 supermarkets while on the discount segment, the store number stood at 195. Regarding cash&carry chains, there are two players, Metro and Selgros, with a total number of 40 stores, Business Standard informs. The retail market in Romania is the second according to size in Central and Eastern Europe, with a value of EUR 40 billion last year, going to exceed EUR 100 billion by 2010, says consultancy company Deloitte Romania. Modern retail chains accounted at the end of 2007 for a weight of more than 40% of the total consumption goods sales, according to a study of the market research company MEMRB Retail Tracking Services. Retail value share is following an upward trend. In big and medium-sized cities, modern retail dominates Romanians' preferences. In Bucharest, for instance, hypermarkets attract the main shopping budget of almost two thirds of the households, whereas in medium-sized cities, supermarkets, discount stores and stores are preferred. Buyers visit approximately three store brands per month, still not being loyal to a single one. Both in the capital city and in big and medium-sized cities, four out of five buyers said they were pleased going shopping. "We noticed that Romanians started to no longer be attracted by promotions, when they choose a store. Consumers start to be interested in some other things, for instance easy access to a store, if it is roomy enough or displays quality brands. Sensitivity toward prices has not disappeared yet", Bogdana Baltasiu from Nielsen Co. was quoted as saying. The budget allocated to monthly spending is increasing more in the Capital than in other cities, yet the pace is inferior to the salary increases, reflecting an orientation toward other spending types, for instance for vacations. The study also reveals that Romanians continue to spend more than half of their monthly budget on food, both in big and medium-sized cities. *Source: Agerpres.*

### **Retail market in Romania, evaluated at EUR 15 billion, in 2008**

The retail market in Romania is currently evaluated at EUR 15 billion, and in 2010 it will reach EUR 53.7 billion, according to forecasts of specialists, said Andrei Birsan, director with real estate

company Cushman&Wakefield Activ Consulting, at a conference. "In ten-fifteen years, the total value of the market could reach no less than EUR 134 billions, which puts retail among the most dynamic business fields in Romania," said Birsan. The second edition of Retail Pro forum analyzed the evolution of the retail industry from this perspective, offering participants exhaustive analyses of the market, as well as new instruments for profitable development. Currently, an annual growth of 20% is registered for the market of electronics and home appliances, while the estimated value of the market of furniture stands at EUR 1 billion. For 2008, specialists estimate that the market of pharmaceuticals will reach EUR 1.7 billion. The forum has made an analysis of the current economic situation and of its effect on the retail market. The development potential of the retail market is still good enough for the development of new trade centres; only over 2008-2012 ten new trade centres will be opened in Bucharest. *Source: Agerpres.*

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## **IT&C**

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### **IDC: The Romanian server market is just now beginning to develop**

The server segment registered the highest growth in the second quarter of 2008, as the market is not mature enough and companies need increasingly more products on this segment, according to representatives of International Data Corporation (IDC) research company, quoted by the Business Standard daily on October 15. 'The server market has a low share of the overall market, of some 2%, both in terms of value and in terms of volume, so it is normal that there is a significant advance. The share of this segment is not very large on other markets either, but so far we have an imbalance in terms of servers sold and the total number of PCs,' said IDC Romania analyst Diana Preda. 'There is a significant need of servers on a market that is just now beginning to develop and that will keep growing,' Preda added. Compared to the second quarter in 2007, the volume of server sales rose 49.7%. The share of servers on the total PC market is 2.3% in volume and 10.1% in terms of value. *Source: Agerpres.*

### **Romania to host IT&C Global Forum in 2009**

Romania is to be the host of the 2009 edition of the Global Forum on Information Technology and Communications, having been chosen by the organizer of the event (ITEMS), following a contest carried out in the same time in the United States, Taiwan and Switzerland, reads a release of the Romanian Ministry of Information Technology and Communications. Global Forum is an annual event focused on such issues related to the business, social and political environment and the evolution of the Informational Society, in which such important representatives from the international information technology and communications field and experts from the relevant ministries from the U.S., EU and Asia participate. ITEMS took the decision to organize the Global Forum in Bucharest during the international symposium Global Forum / Shaping the Future 2008, recently carried out, over October 21-22, 2008, in Athens. Since 1992, the Global Forum gathers more than 300 high level representatives of the information technology and communications field, providing them the chance of exchanging experience, facilitating connections between suppliers and users, as well as creating the necessary connections between the practical applications and the innovative ideas in an environment where convergent technologies currently eye an upward trend. Among the countries that hosted the event before were France, Italy, Belgium, Sweden, U.S. and UK. *Source: Agerpres.*

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## **Health & pharma**

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### **Medical services market to treble by 2012**

The private medicine has at present a market of some EUR 350 million and which will treble until 2012. At the same time, analysts expect the value of sanitary services per patient go up 85% compared to 2007, weekly Saptamana Financiara reports. 'The growth potential is very high on the medium term. We are expecting trebling of the market by 2012. Private medicine reported a significant rise over the past years, this being by only 20-30% above the economic growth, turning the private medical sector into the economy's "star" said the general manager of Unirea Medical Center (CMU) Sergiu Negut. A survey conducted by Deloitte estimates the overall market of the Romanian medical system at about EUR 6 billion. 'The costs of the medical services from the gross domestic product (GDP) in 2007 were of 5.1%, which means less than the standards of Central Europe. Anyway, it is estimated the value of this sector will go up to some 5.4% of the gross domestic product by 2012 - continuing to be significantly lower than the average of the European Union (EU), of 9.4%,' reads the aforementioned document. According to experts with Deloitte, the private-public cooperation will represent the key for the rise of the quality of medical

services provided to patients. "Even now we can talk about a cooperation in Romania between the public and the private sector, however it is for the time being at the basic level. The establishment of a concrete legislative framework for the introduction of the system of private health insurance will prompt an explosion of the private market of medical services and sorting of the relevant players, who will no longer have the necessary resources to provide the quality level imposed by a private system of health insurance," said in the aforementioned magazine Florin Ioan Balanica, general manager of Medcenter. Bucharest is the area where most investments in this sector are concentrated, half of the services being in this city. The tendency of maturity of Bucharest prompts the players on the market to consider seriously going to other localities. After the emergence of the private clinics, the next step was the construction of hospitals. Already announced in this respect were investments worth over EUR 200 million for the next years. According to statistics of the Ministry of Health, at present there are 800 beds in hospitals under private regime and estimates show that they will reach 1,000 over 2011-2011. A survey conducted by IBC Focus shows that private developers plan to construct or to recover 43 hospitals, clinics and medical consulting rooms. The investments will unfold over the next years. Euroclinic company built the first unit of this type. Shortly afterwards MedLife invested in a private hospital. "This autumn we plan to open the first private hospital of obstetrics-gynaecology, the CMU Maternity hospital. Among future projects is a bank of stem embryonic cells in Bucharest," said the CEO of CMU. Romar Medical Group announced it plans to finalize the works at a hospital on a EUR 500,000 investment this year, EUR 3.6 million investment in 2009 and a EUR 7 million investment in 2010. *Source: Agerpres.*

#### **Local pharmaceutical market likely to attain 2.4 bln euros in 2010**

Local pharmaceutical market could attain the value of EUR 2.4 billion in 2010, at an average growth rate of 9.5%, according to estimations of Polish market research company PMR, specialized in Central and Eastern European region. "After annual advances of 30% over 2004-2006 the growth pace somewhat tempered to 11% in 2007, when the market reached EUR 1.8 billion, whereas the estimated progress in 2008 is of approximately 8%", PMR says in its report. The retail segment surged 19% in 2007, whereas sales in hospitals declined by 20%. Last year, retail accounted for 85% of the overall market and it is estimated that this percentage will continue its upward trend, to 90% by 2010. Last year, cardiovascular medicine sales registered a faster growth compared to the overall market, respectively 13% more in value and above 30% in volume. This segment is the largest on the pharmaceutical market, with sales of EUR 370 million in 2007. Weight of medicine sales for cardiovascular system rose steadily from 15% in 2003 to 20% in 2007 of the overall market. The main player on this segment is Servier, with a market share of 25%. Terapia Ranbaxy, Pfizer, Krka and LaborMed are coming next. "Cardiovascular market potential remains high because it is estimated that eight million Romanians need this kind of treatment, whereas half of them are already undergoing it", PMR shows in its report. Imported medicines account for 70% of the market, Ziarul financiar daily reads. The most important players on the profile market are GlaxoSmithKline, Hoffmann - La Roche, Novartis, Sanofi-Aventis, Servier, Pfizer. Top of the local producers includes Terapia Ranbaxy, Zentiva, Antibiotice, Actavis, Gedeon Richter Romania SA, LaborMed, Biofarm. In the past years there were no major changes in the top ten players hierarchy. *Source: Agerpres.*

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#### **Dutch presence in Romania**

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##### **Damen Shipyard launches new ship**

The Johanna Schepers container ship was launched on October 27 at the Damen Shipyard of Galati in the presence of the ship owner, Dutch company Schepers. The Johanna Schepers is 140 m long, 21.8 m wide; it weighs 9,300 tdw and has a capacity of 804 TEU. The Dutch owner paid EUR 21 million for her. This is the fifth in a series of six ships ordered by Schepers, and it was christened after the nine-year-old daughter of the company's manager Hans Bernd Schepers. Schepers officials are worried about the present and future developments in the world economy, as demand for water carriage of goods has recently plummeted, but, they say, that will not affect the contracts for six ships with Damen. "We are absolutely satisfied with this kind of ships and we already have four in operation. We appreciated the technical manufacturing of the ships and the deliveries made on schedule," says Hans Bernd Schepers. Damen Shipyard Manager Gelu Stan says Damen will weather the economic crisis well, because it has secured business orders for the next four years. Five more launches of ships of various types are scheduled to be performed throughout the remaining months of the year. *Source: Agerpres.*

### **Heineken to invest next year almost EUR 50 million in Romania**

Heineken Romania, the producer of beer brands Heineken, Golden Brau and Silva, is to invest next year almost EUR 50 million in the modernization and renovation of its Romanian production facilities. These new investments were announced by the company in the context in which the Dutch Heineken Group has allocated this year to its local branch more than EUR 200 million both for the acquisition of Bere Mures producer and for bolstering the production capacity to over seven million hectoliters. "The financial crisis will not affect our plans in Romania. We earmarked EUR 50 million investments in the modernization of the production capacities and more than EUR 5 million of this amount are allocated to Targu Mures-based brewery, respectively for the construction of storage spaces, production tanks or production lines and bottling lines", Edwin Botterman, Heineken Romania CEO was quoted as saying by Ziarul financiar daily. He added that the EUR 50 million investment would not be specially used to boost production capacities, but rather for the modernization and renovation of the facilities. As well, the company representative takes into account the production of some brands in Heineken Romania portfolio at Targu Mures brewery, under conditions in which the local branch of the Dutch producer, Bere Mures, already gave up some of the brands sold up to now. At the same time with Targu Mures brewery, Heineken also purchased a mineral water plant in Romania, which sells Cezara and Cheile Cibinului brands, as well as Germisara hotel in Geoagiu Bai (center). In the first half, Heineken Romania saw its turnover go up by 16% to reach RON 390 million (EUR 106 million), while sold volumes rose by 5.6% in the same period. For the end of 2008, Botterman forecasts a two-digit turnover increase against the same period in 2007, whereas the beer market will increase by 6-8% by year-end. *Source: Agerpres.*

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### **Events & Useful web links**

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#### **Ambassador Jaap Werner at CSR'08**

The Third Edition of the International CSR Conference in Romania was held in Bucharest on 20 and 21 October, under the motto "Living the GREEN". During the plenary session "How to approach climate change as a necessity that generates competitive advantage?", Ambassador Jaap Werner presented the policy and the public-private cooperation in the Netherlands, as well as the Dutch-Romanian cooperation in the field of climate change adaptation. If you are interested in receiving a copy of his presentation, please e-mail to [bkr-ea@minbuza.nl](mailto:bkr-ea@minbuza.nl).

#### **Jong V&W Organisation visited Romania**

From 20 - 26 October, Jong V&W, the organisation of young civil servants of the Dutch Ministry of Transport, Public Works and Water Management, organised a successful visit to Romania. The 40 participants started their visit in Bucharest, with meetings at the Ministry of Transport and the National Company for Highways and National Roads. The second part of the visit included the Port of Constantza, the Danube Delta but also Galati and Brasov. Among the issues discussed with their Romanian counterparts were the current situation and the strategy in the field of road infrastructure, the development of the Port of Constantza, the measures needed for the maintenance of the inland river ways and the flood prevention.

#### **Weekly Bulletin regarding water projects in Romania**

The Embassy of the Kingdom of the Netherlands in Bucharest started publishing, in partnership with EVD and NWP, a weekly bulletin regarding water projects in Romania, distributed by e-mail. The material published in the bulletin is compiled on the basis of publicly available information, from various sources (the Electronic Systems for Public Acquisitions, the national press, the websites of the relevant Romanian authorities, etc.).

Those interested in receiving the bulletin are requested to contact Violeta Cozianu, at +40-21-208 6039 or [bkr-ea@minbuza.nl](mailto:bkr-ea@minbuza.nl).

- Economic network of the Netherlands in Romania
- Embassy of the Kingdom of the Netherlands in Bucharest
- Agency for International Business and Cooperation - EVD
- The Netherlands - Romanian Chamber of Commerce
- The Dutch-Romanian Association
- The Dutch Romanian Network
- Romanian Ministry of Agriculture and Rural Development

- [www.hollandtrade.ro](http://www.hollandtrade.ro)
- [www.netherlandsemb.ro](http://www.netherlandsemb.ro)
- [www.evd.nl](http://www.evd.nl)
- [www.netherlands.ro](http://www.netherlands.ro)
- [www.nederland.ro](http://www.nederland.ro)
- [www.dutchromaniannetwork.nl](http://www.dutchromaniannetwork.nl)
- [www.mapam.ro](http://www.mapam.ro)

- Romanian Ministry of Economy and Finance - [www.mefromania.ro](http://www.mefromania.ro)
- Romanian Ministry of Environment and Sustainable Development - [www.mmediu.ro](http://www.mmediu.ro)
- Romanian Ministry of Transport - [www.mt.ro](http://www.mt.ro)
- National Institute for Statistics - [www.insse.ro](http://www.insse.ro)
- Ministry of SMEs, Trade, Tourism and Liberal Professions - [www.mimmc.ro](http://www.mimmc.ro)
- Exhibitions in Romania - [www.romexpo.org](http://www.romexpo.org)
- Information on EU funds - [www.fonduri-structurale.ro](http://www.fonduri-structurale.ro)