



MINISTRY OF ECONOMY, COMMERCE AND
RELATIONS WITH BUSINESS ENVIRONMENT



Romania – A Strategic Choice

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1. Country overview

Romania is one of the most promising investment destinations in Europe, boasting features that set it apart as a growth opportunity

Economic growth in Romania is among the highest in the EU and is forecast to remain above potential in 2016 and 2017

Romania has been a member of EU since 2007 and a member of NATO since 2004

Romania is ranked 1st in the EU for maximum speed of internet connectivity and 2nd for high speed broadband adoption

In 2021, Romania will host the European Capital of Culture for the second time, after Sibiu in 2007. Baia Mare, Bucharest, Cluj and Timisoara have been shortlisted for this role

EUR **3**
BN
NET FDI INFLOW

EUR **160**
BN
NOMINAL GDP

EUR **55**
BN
EXPORTS

S & P

**BBB-
Stable**

Moody's

**Baa3-
Positive**

Fitch

**BBB-
Stable**



Area: 238,391
km²



Capital:
Bucharest



Currency:
LEU (RON)



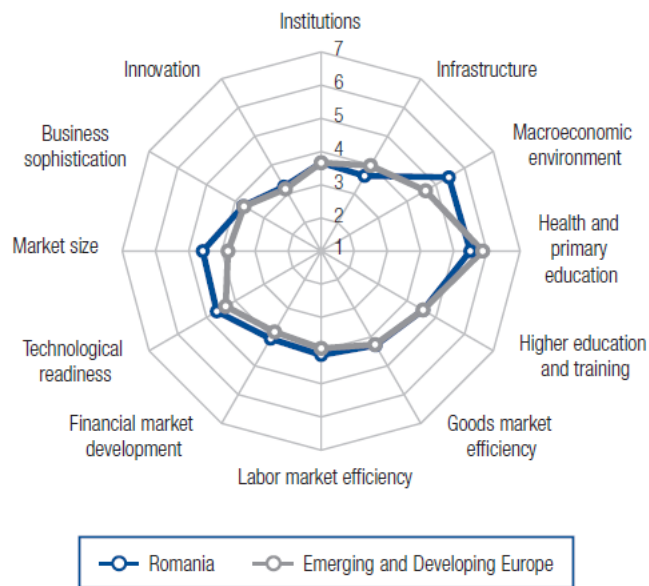
Population:
19,5 mn ppl



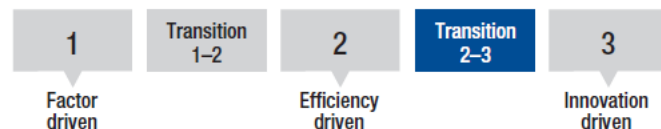
S-E Europe

The country is in the transition 2-3 stage of development with regards to the Global Competitiveness Index 2015 – 2016

Romania – Global Competitiveness Index 2015-2016

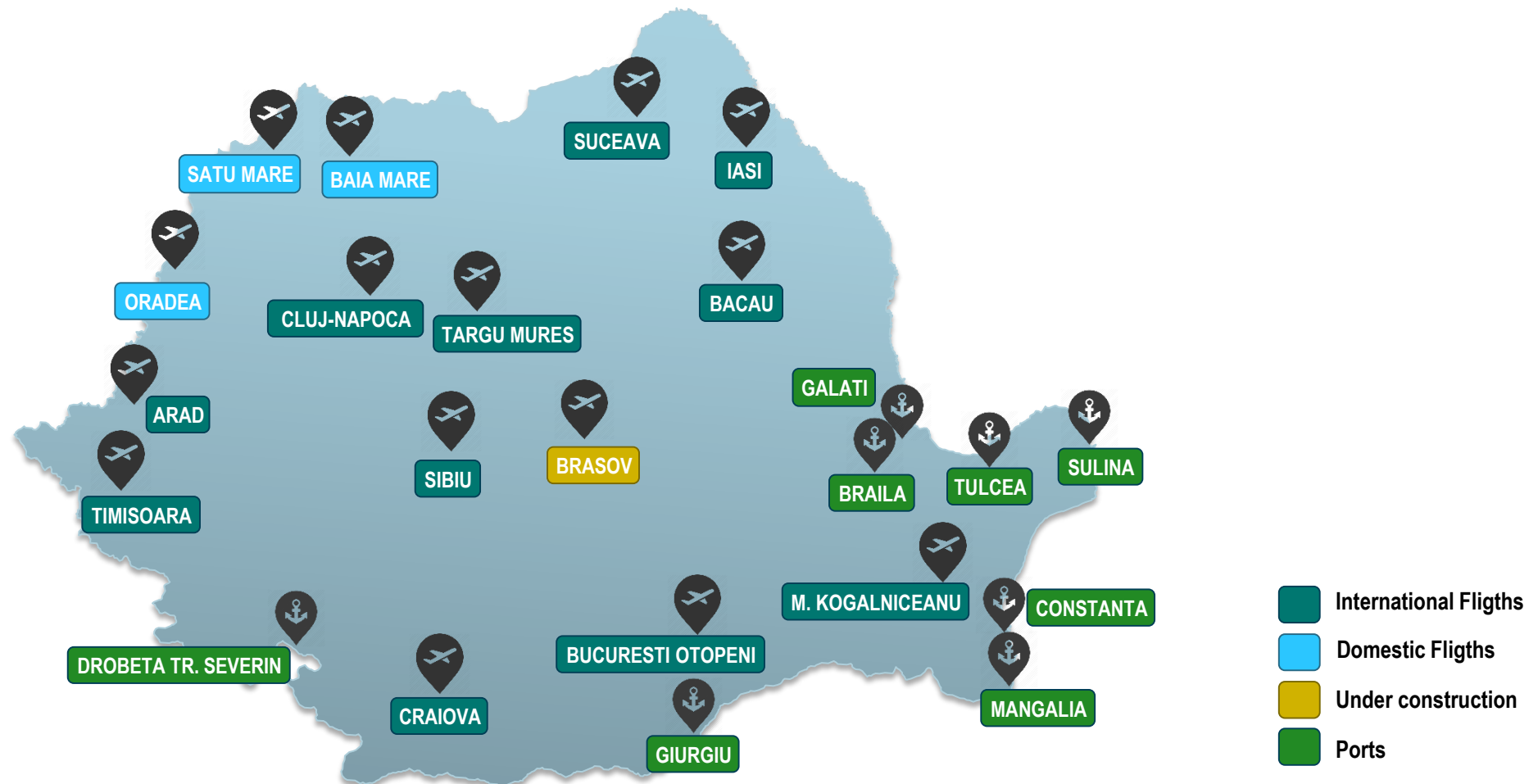


Stage of development



	Rank (out of 140)	Score (1-7)
GCI 2015–2016	53	4.3
GCI 2014–2015 (out of 144).....	59	4.3
GCI 2013–2014 (out of 148).....	76	4.1
GCI 2012–2013 (out of 144).....	78	4.1
Basic requirements (37.4%)	70	4.6
1st pillar: Institutions.....	86	3.7
2nd pillar: Infrastructure.....	86	3.6
3rd pillar: Macroeconomic environment.....	34	5.4
4th pillar: Health and primary education.....	83	5.5
Efficiency enhancers (50.0%)	44	4.4
5th pillar: Higher education and training.....	59	4.5
6th pillar: Goods market efficiency.....	73	4.3
7th pillar: Labor market efficiency.....	78	4.1
8th pillar: Financial market development.....	55	4.0
9th pillar: Technological readiness.....	46	4.6
10th pillar: Market size.....	43	4.6
Innovation and sophistication factors (12.6%)	84	3.5
11th pillar: Business sophistication.....	88	3.7
12th pillar: Innovation.....	75	3.2

Romania is now more connected than ever, boasting a transport network of 14 international & domestic airports and 8 major ports

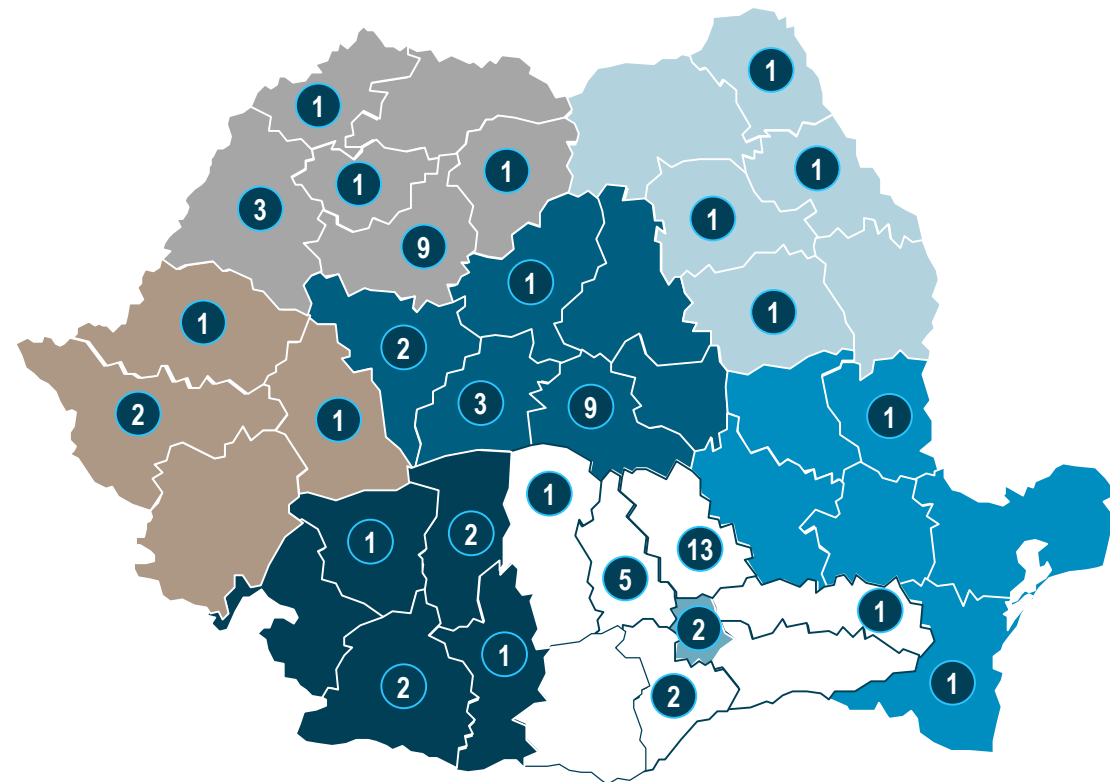


130 direct flights can be accessed from 4 Romanian international airports, leading to 76 destinations in 31 countries worldwide

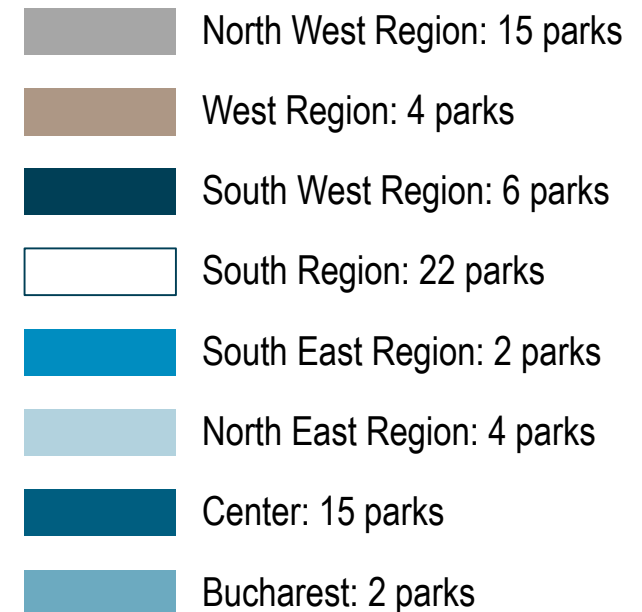


70 industrial parks are spread across Romania, most offering capabilities suited for industries like aerospace, IT&C and industry

Industrial parks in Romania



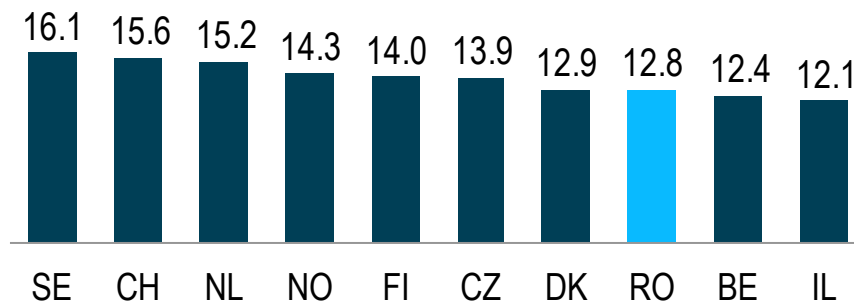
Status at regional level



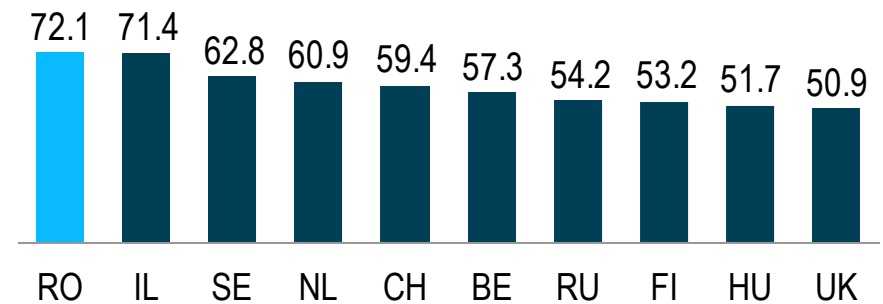
- There are 70 industrial parks spread across Romania, placed under both private and public ownership
- All offer access to utilities, particular benefits packages according to their focus and potential for synergies
- Also, investors are exempted from land, building and urban planning taxes as well as for land destination changing

Technology is becoming a significant part of Romania's backbone infrastructure, being leveraged by a talented pool of developers

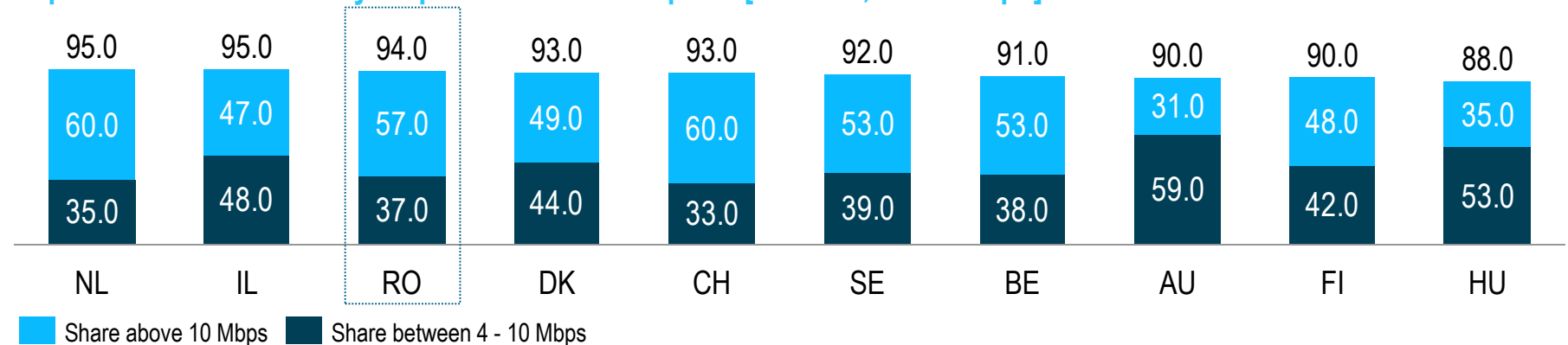
Top 10 EMEA countries by avg. speed [Q2 2015, Mbps]



Top 10 EMEA countries by top speed [Q2 2015, Mbps]



Top 10 EMEA countries by Mbps Broadband adoption [Q2 2015, % > 4 Mbps]

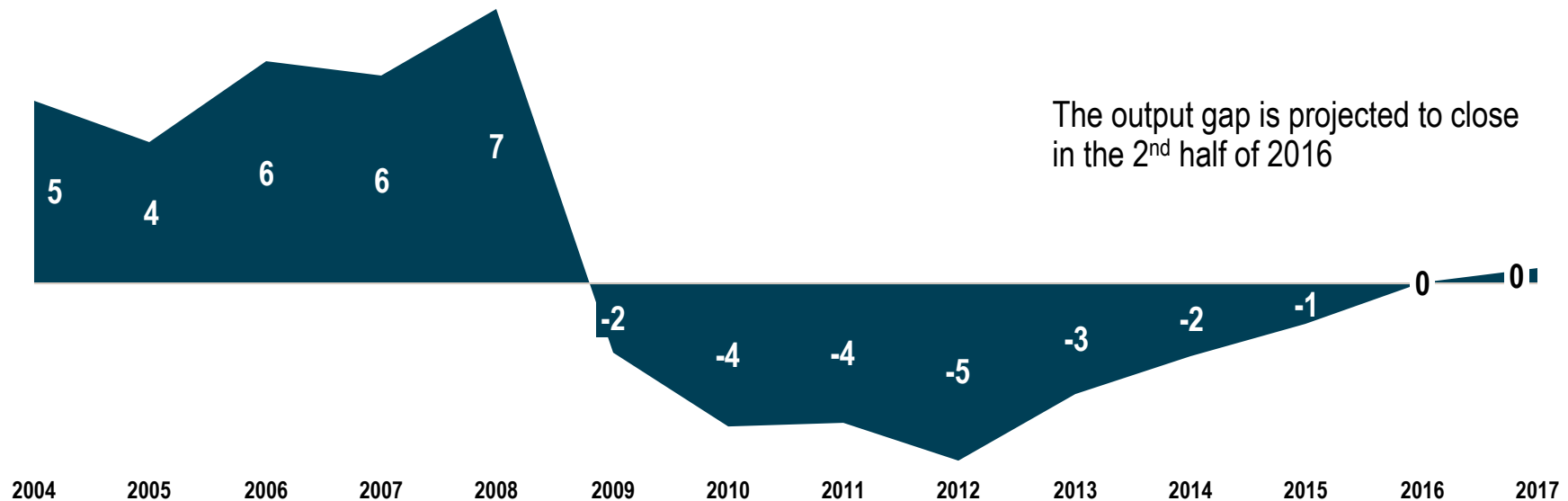


- The internet infrastructure has developed along with the developers, who are leveraging the network to offer high quality outsourcing services, although the focus is now shifting towards product design and, consequently, startups

2. Macroeconomic overview & outlook

Current macroeconomic outlook is stable, with positive evolutions expected by some credit rating agencies

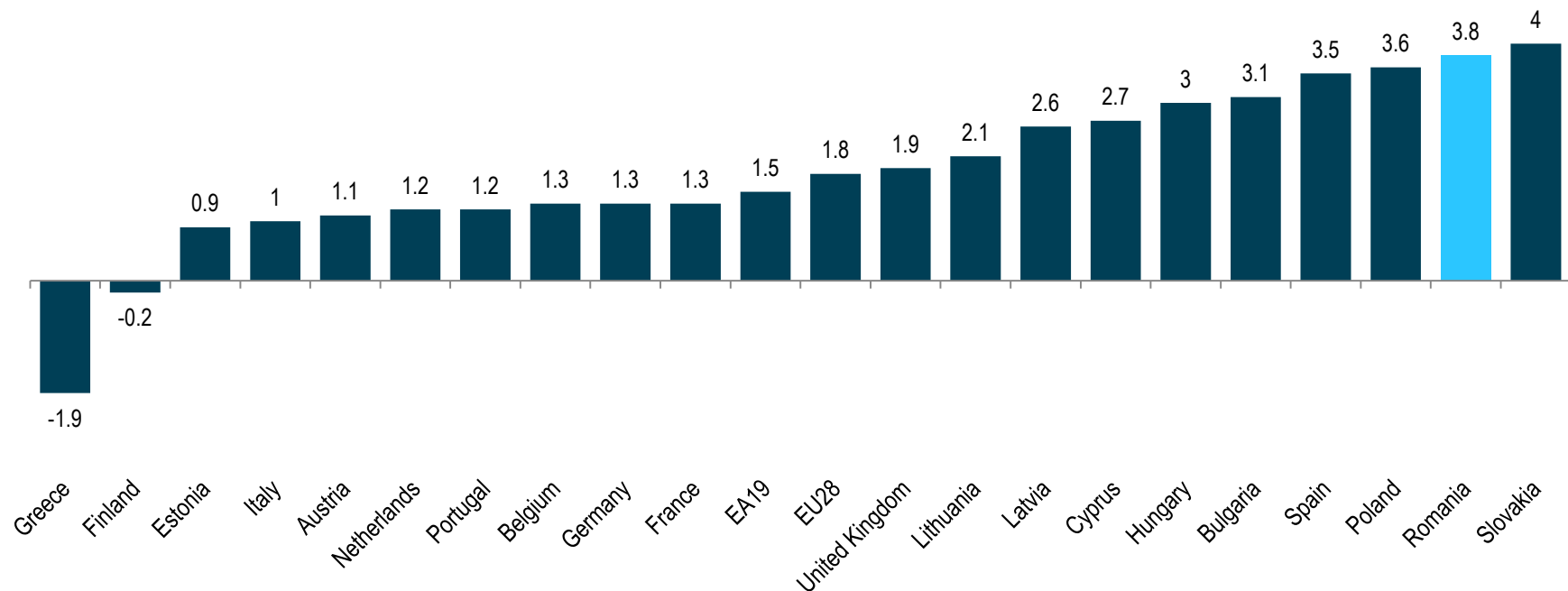
Potential and real GDP evolution [%]



- Romania is under European Commission surveillance mechanism through Macroeconomic Imbalances Procedure
- Currently, Romania respects all of MIP indicators suggesting a strong position in terms of macroeconomic policies
- Credit rating agencies:
 - Moody's: Updating Romania's Baa3 government ratings from stable to positive (Dec 2015)
 - Fitch: Outlook is stable with long-term foreign and local currency IDR at "BBB-" and "BBB" (Jan 2016)
 - S&P: Outlook is stable, rating of "BBB-"(Oct 2015)

Real GDP growth rate was 3.8% in Q4 of 2015, one of the highest in EU 28, with forecasts maintaining a positive outlook

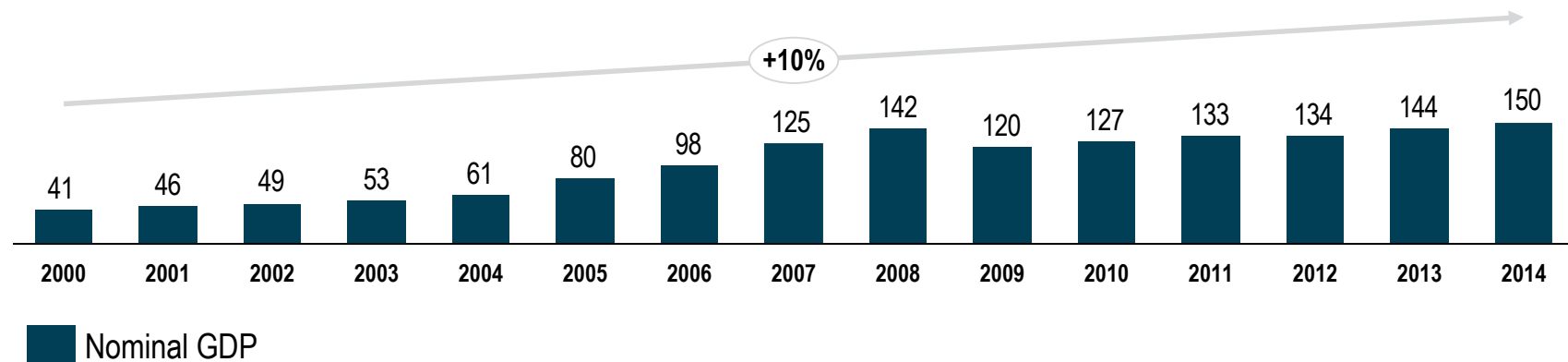
Real GDP growth [%]



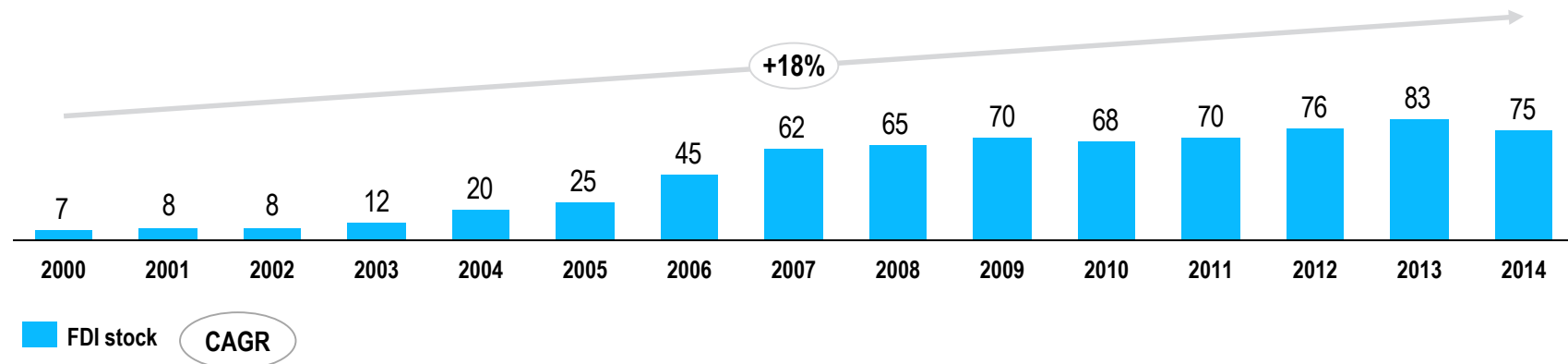
- Growth rate is expected to remain high, close to current potential (4%)
- Current forecasts estimate growth at 4.2% in 2016 and 3.7% in 2017 according European Commission Forecasts for Romania

Nominal GDP grew by a total 275% between 2000 and 2014, while FDI stock grew by 971% for the same interval

Evolution of nominal GDP in Romania 2000 – 2014 [EURbn]

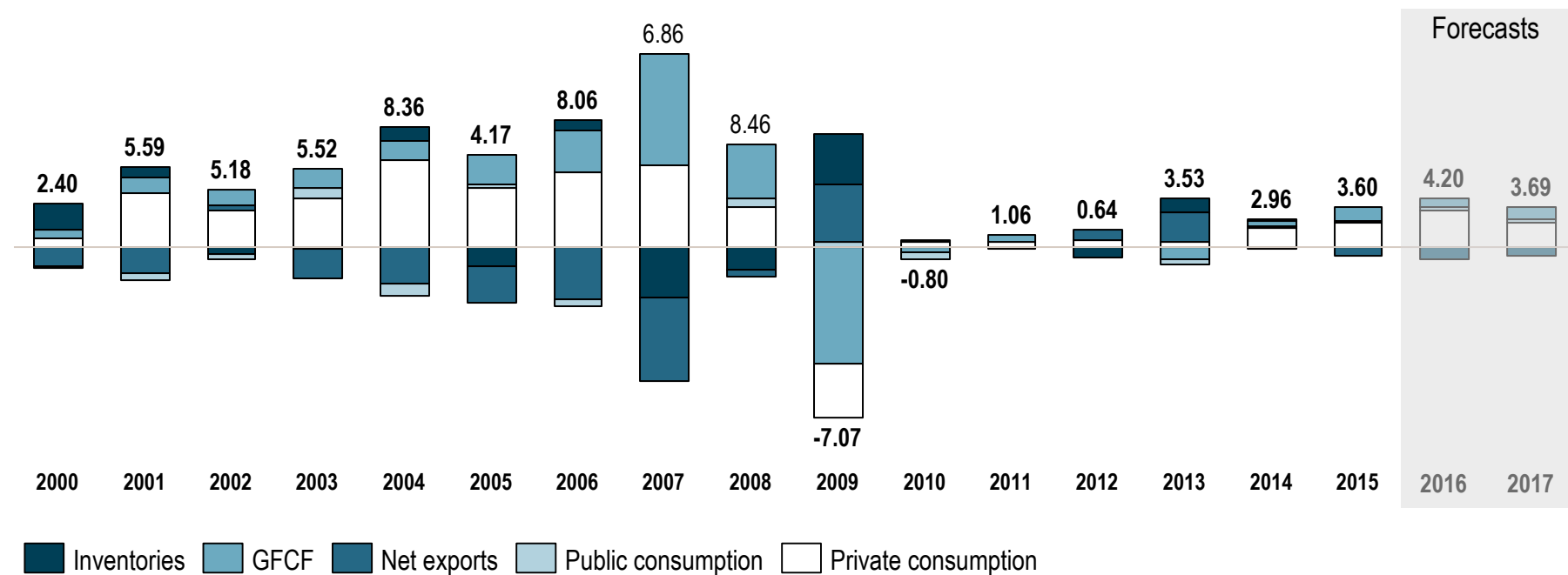


Evolution of FDI stock in Romania 2000 – 2014 [USDbn]



Romania experienced a recovery of internal demand amid a pro-growth fiscal policy boosting private consumption and investment

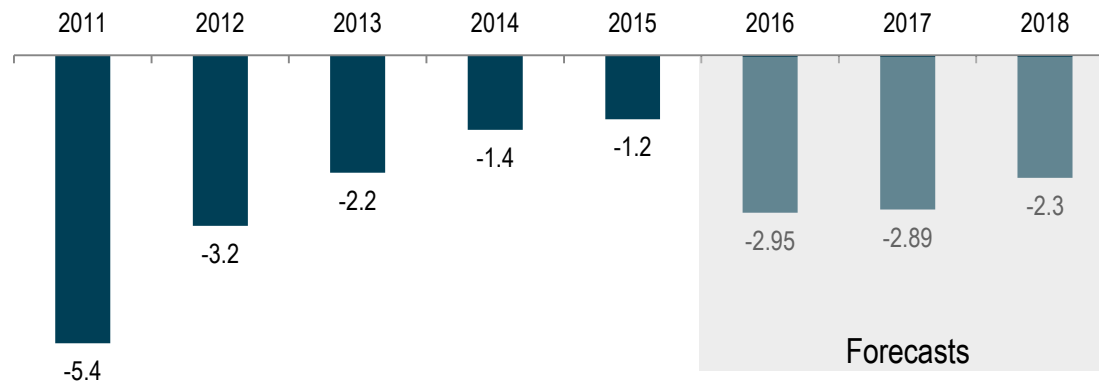
GDP growth by aggregate demand components [%]



- Domestic demand is set to remain the driver of growth in 2016 and 2017. Private consumption recovered to its post-2008 peak on the back of higher household disposable income and negative inflation
- Net exports' contribution to growth is projected to remain negative over the next years, as imports growth in line with surging domestic demand outpaces exports growth

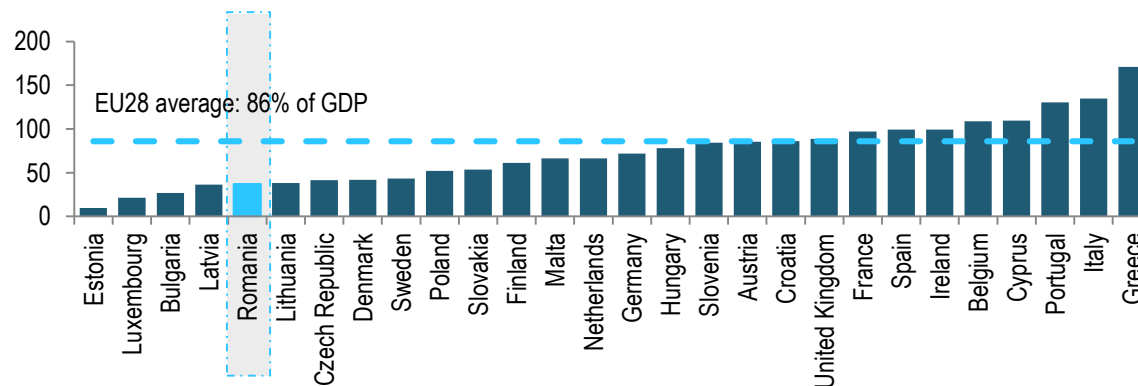
Public finances remains solid despite the effects of the financial crisis and the push of external challenges

ESA fiscal balance, Romania [% GDP]



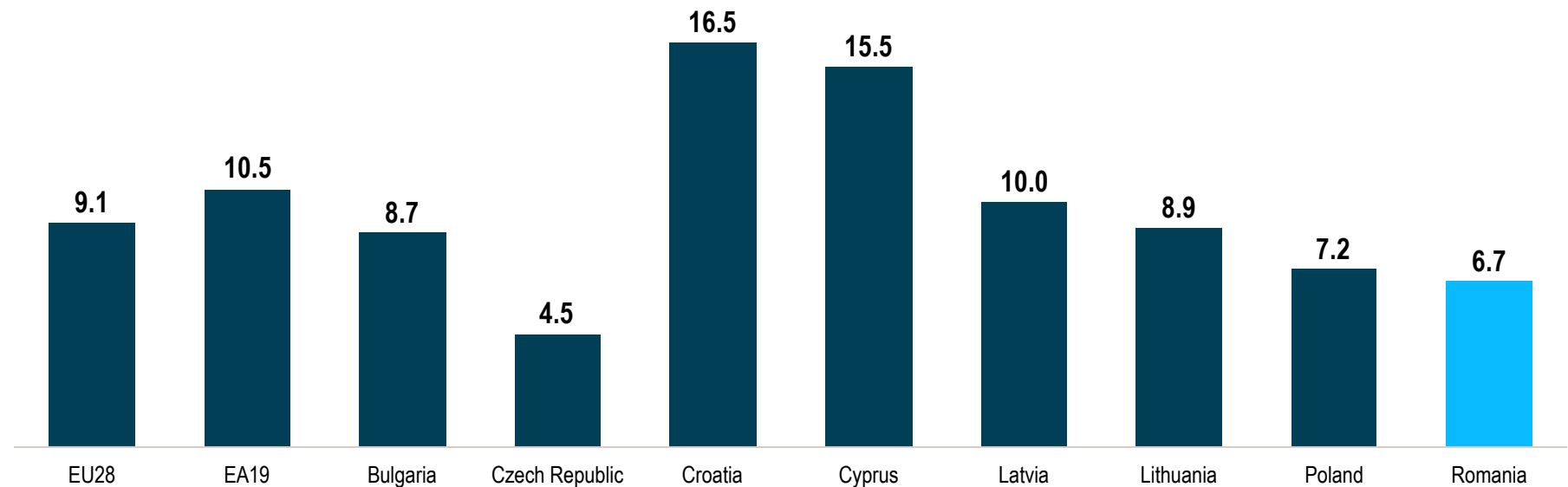
- Fiscal deficit decreased constantly during 2011 – 2015 amid a strong fiscal consolidation process
- Starting 2016 it is expected to increase to 2,8-2,9% of GDP, mainly due to fiscal measures taken recently to stimulate economic growth (standard VAT rate reduction, SSC reduction in 2014, state aid schemes and public investment).
- However, Romania stays in the limits imposed by Maastricht Treaty regarding both fiscal deficit and public debt.
- Romania has one of the lower public debt in EU 28 at the end of Q3 2015: 37,2% of GDP, after Estonia (9,8%), Luxembourg (21,3%), Bulgaria (26,9%) and Latvia (36,4%).

Public debt [2015, Q]



The unemployment rate has been broadly stable below 7% and is expected to decrease somewhat in the coming two years

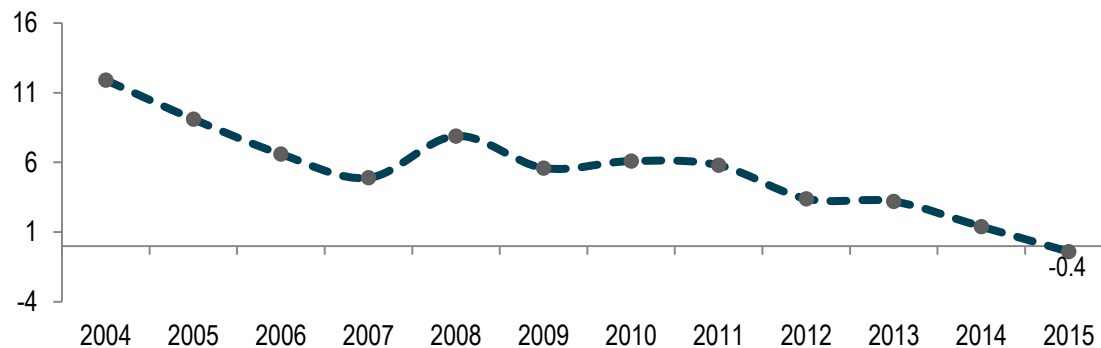
Unemployment rate [%]



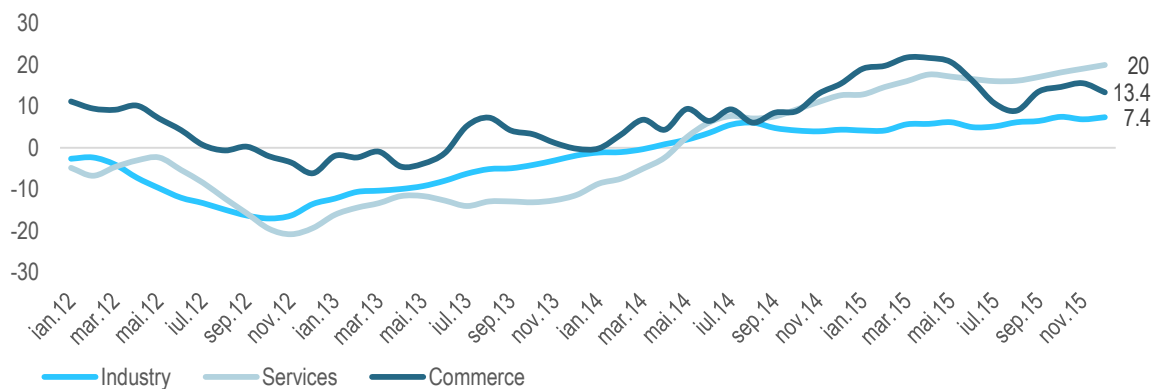
- Unemployment remained broadly stable at 6.7 % in 2015, but is expected to decrease to 6.5 % in 2017
- The low unemployment rate is to be seen in the context of a continuous decline in the working-age population due to ageing and net outward migration

Inflation has been falling recently, plunging to historical lows in 2015 – however the National Bank expects it to return to positive values

Inflation rate [%]



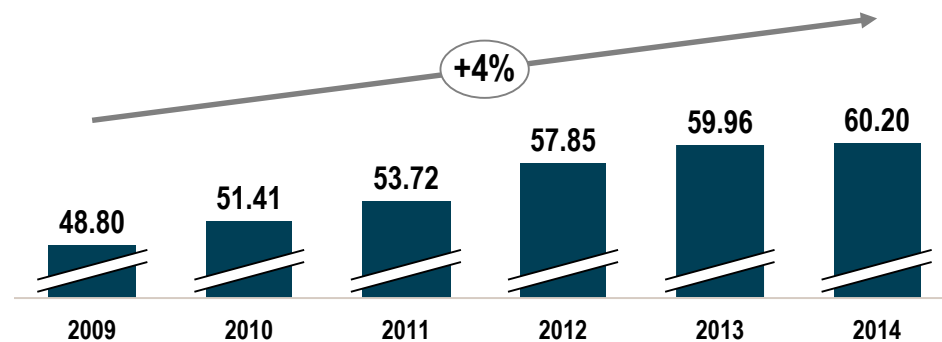
Business confidence index [%]



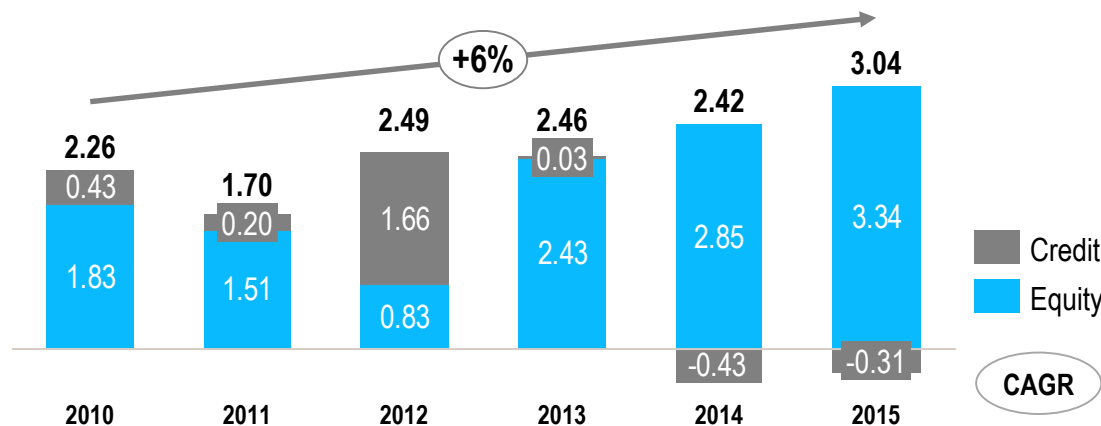
- As a large part of EU member states (Bulgaria, Greece, Slovenia, Lithuania, Poland, Spain, Croatia and others) Romania is going through a period of deflation
- The current situation is mainly owed to implemented fiscal measures:
 - standard VAT rate reduction to 20% starting with 1 January 2016
 - VAT rate cut for food, in June 2015 to 9% and
- Another reason can be the evolution of global energy prices
- Inflation is set to return to positive territory in the second half of 2016 as the impact of the VAT cuts fades out and the output gap closes
- In the same time, business confidence is at the highest level in the last 4 years

At the end of 2014, final FDI stock came in at EUR 60,2 billion, while FDI net inflows saw a 25% increase at the end of 2015

FDI stock [EURbn]



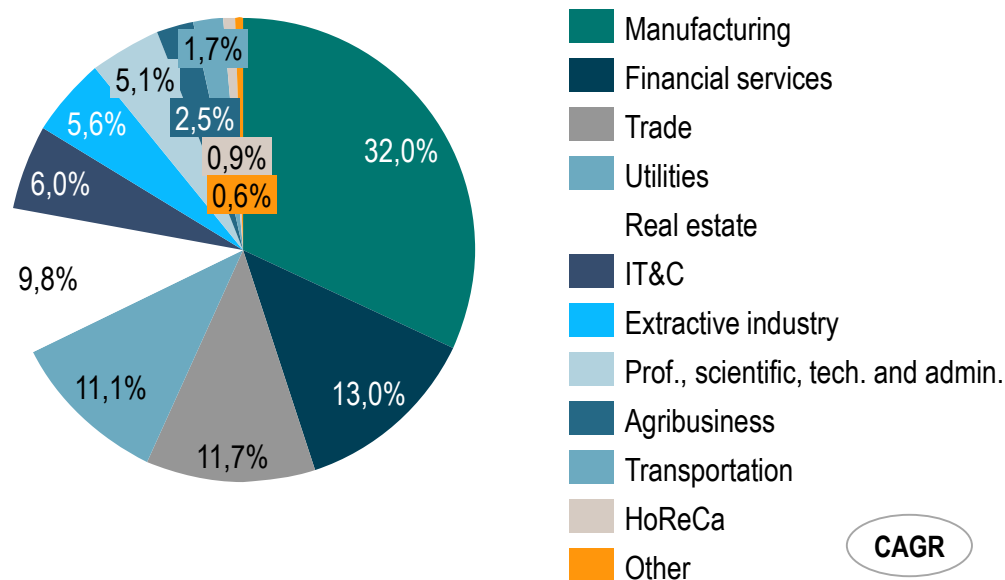
FDI net inflows [EURbn]



- 2015 saw a significant increase in FDI net inflows, with equity financing rising by approx. 17%
- The FDI stock in greenfield enterprises, in amount of EUR 32,527 million, holds 54% of total FDI stock
- Equity (including reinvested earnings) of FDI enterprises amounted to EUR 43,243 million (71.8 percent of the final FDI stock) at end-2014
- Total net credit taken by direct investment enterprises from foreign direct investors, intercompany lending included, reached EUR 16,955 million, i.e. 28.2% of the final FDI stock

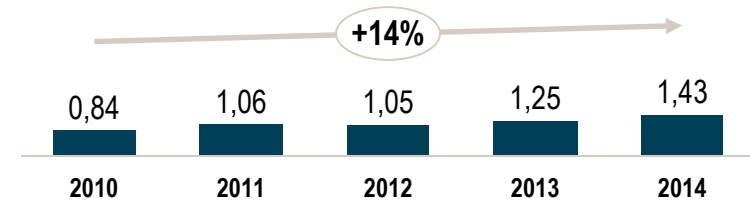
Manufacturing, financial services and trade account for approx. 56% of FDI stock existing in Romania, followed by utilities and real estate

Spread of FDI stock among different sectors [% , 2014]

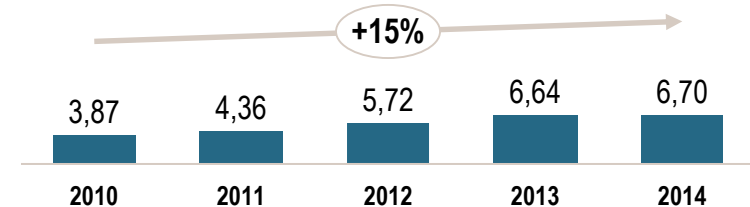


- The computer & electronics manufacturing sector as well as utilities are registering the highest FDI growth rates
- IT&C, while not growing at the same acceleration, is becoming a focus sector with strong connections to international markets

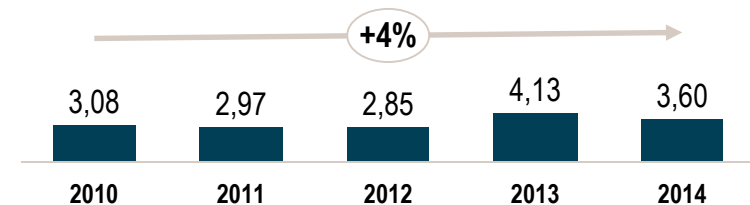
Computer & electronics FDI [EURbn]



Utilities FDI (EUR billion)

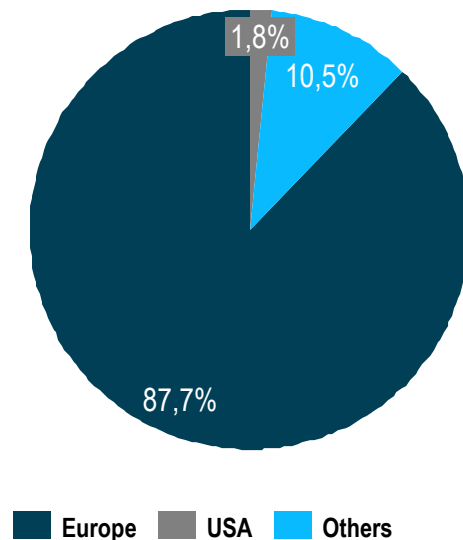


IT&C FDI [EURbn]

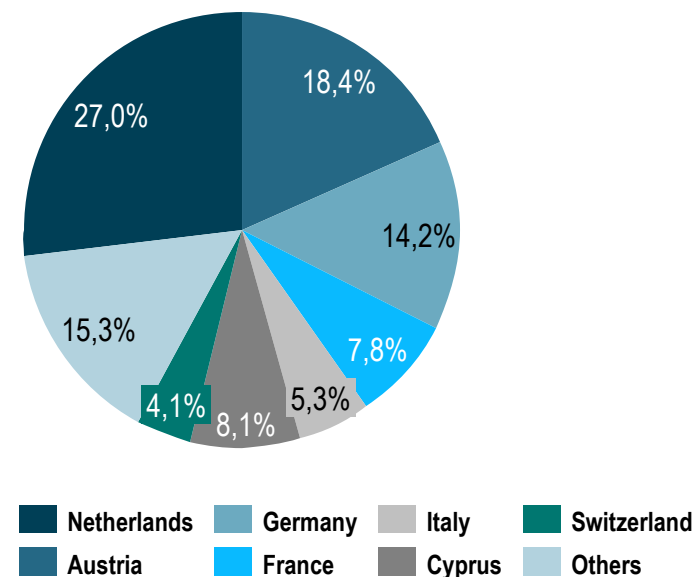


A large majority of FDI stock in Romania is of European origin, with Western Europe (NL, AT, DE) in the lead with EUR 31 billion (52%)

Global spread of FDI stock in Romania [%]



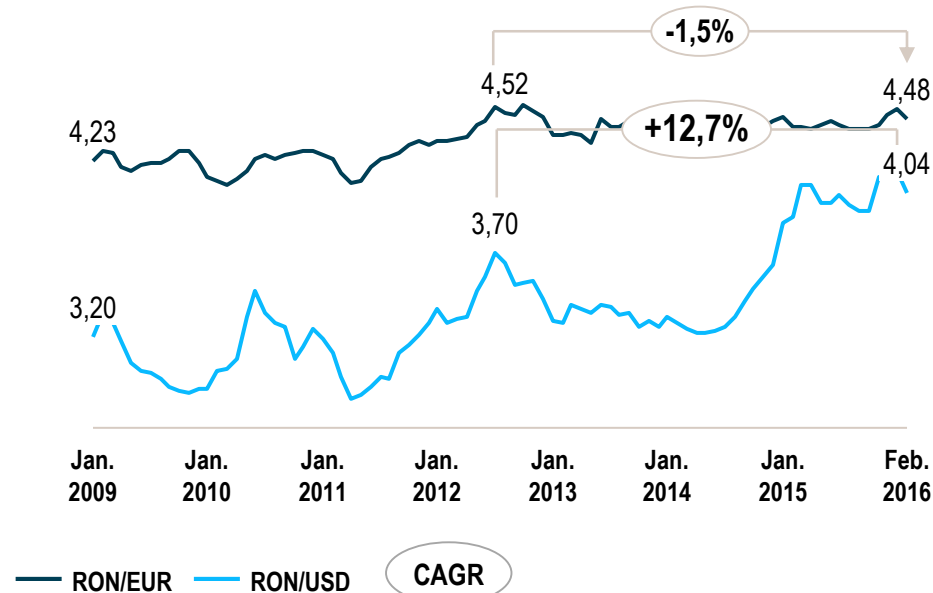
European spread of FDI stock in Romania [%]



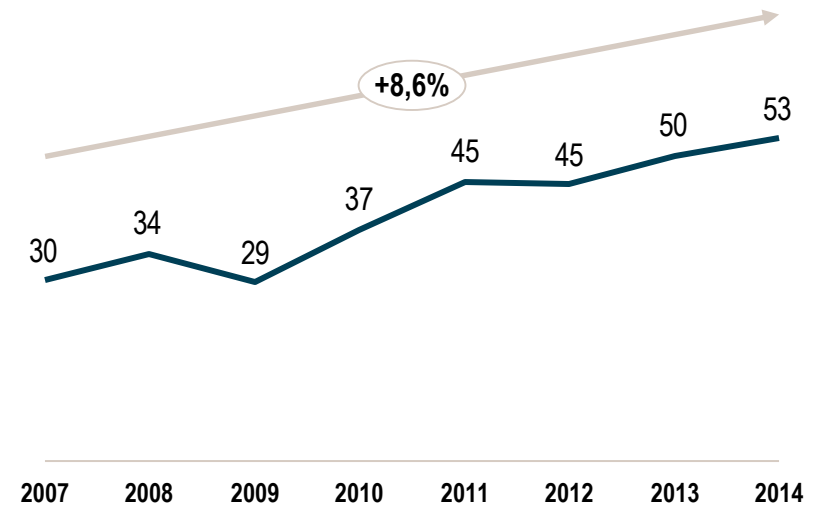
- Most of the local FDI stock is owned by companies originating from Western and Central Europe, led by the Netherlands, Austria, Germany, France and Italy
- The US is being responsible for only 1.8% of FDI stock in Romania
- However the presence of companies of American and transcontinental origin is significant in Romania, due to investments executed through European based proxies due to fiscal reasons

Exports have performed well in the past 8 years, growing with a CAGR of 8.6% per year – the stability of the FX rate also helped

FX rate evolution for RON / EUR and RON / USD



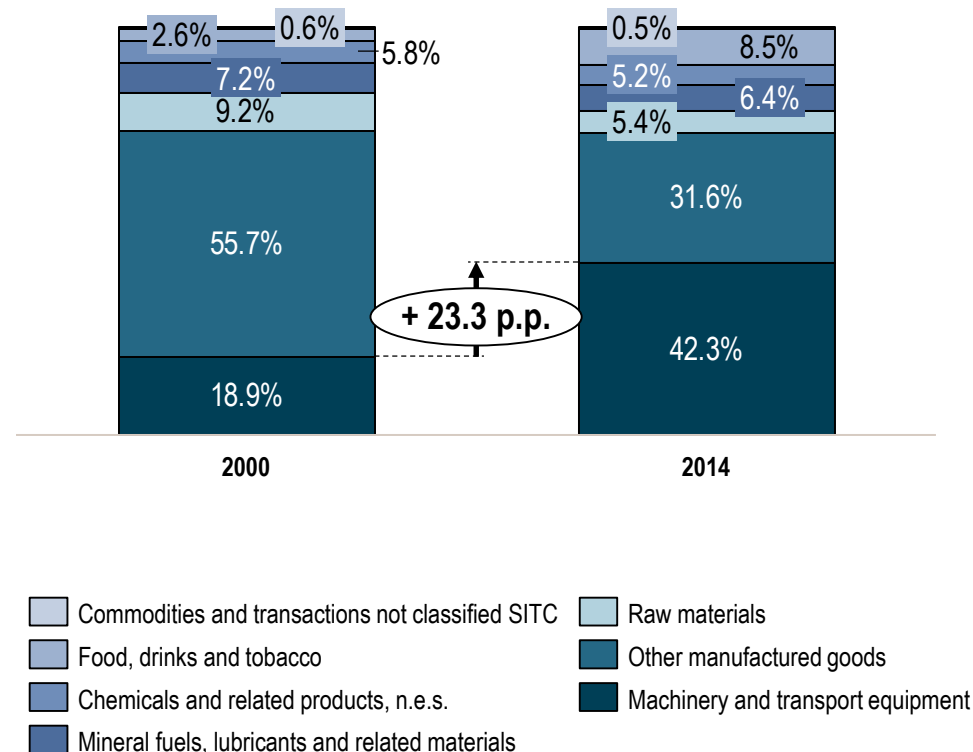
Evolution of exports [EURbn]



- For most of the analyzed period, the RON/ EUR exchange rate has been relatively stable, allowing for an acceleration of
- The US is being responsible for only 1.8% of FDI stock in Romania

Romania has seen a 8.6% increase per year in exports, with the most impressive growth occurring in machinery and equipment

Spread of exports by goods [%, 2000 – 2014]



- According to the National Bank of Romania, foreign owned firms accounted for 71 % of total exports and 65% of total imports of goods in 2014
- Foreign owned enterprises have also contributed approximately 51% to the exports and imports of services, with companies in the manufacturing sector contributing the most
- The most impressive sector is by far machinery and transport equipment, which has grown by 23.3 percentage points since 2000
- The next most significant sector as share of exports is represented by other manufactured goods, followed at a large distance by chemicals and related products

3. Doing business in Romania

Historically, investing in Romania has never been easier, with the government becoming a partner for businesses and entrepreneurs

World Bank ease of doing business rank

37

Ahead of Bulgaria, Croatia, Hungary, Italy, Turkey, Serbia or Greece

EU labor costs rank

2

Romania has a very competitive labor force in the EU

EU gas prices rank

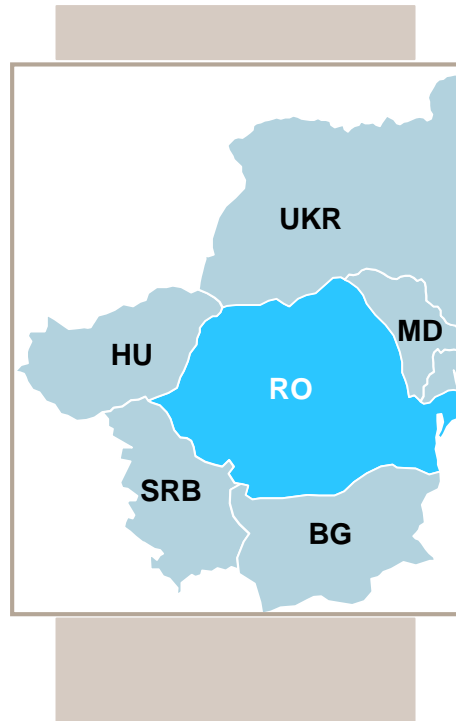
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Low gas prices and 5th lowest electricity in Europe

Maximum broadband speed

1

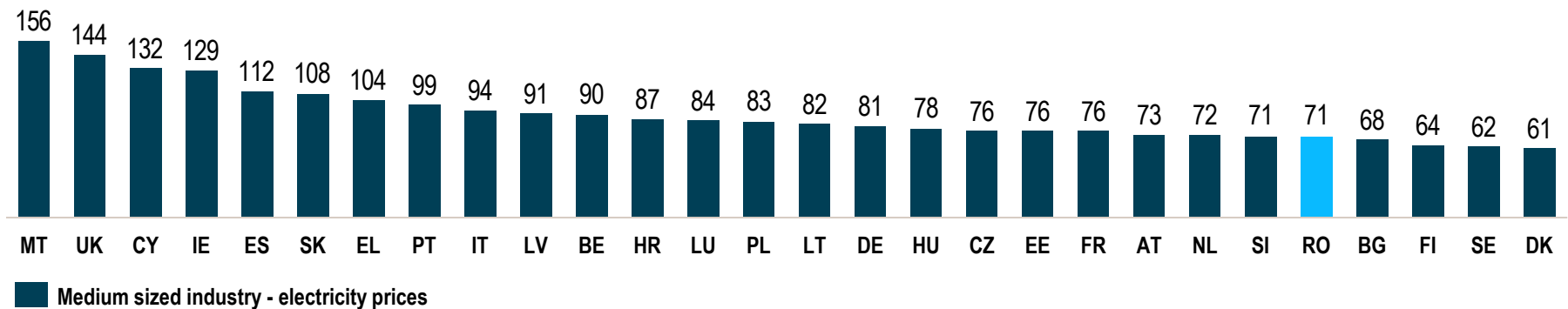
Romania's maximum broadband ranks first in the EU



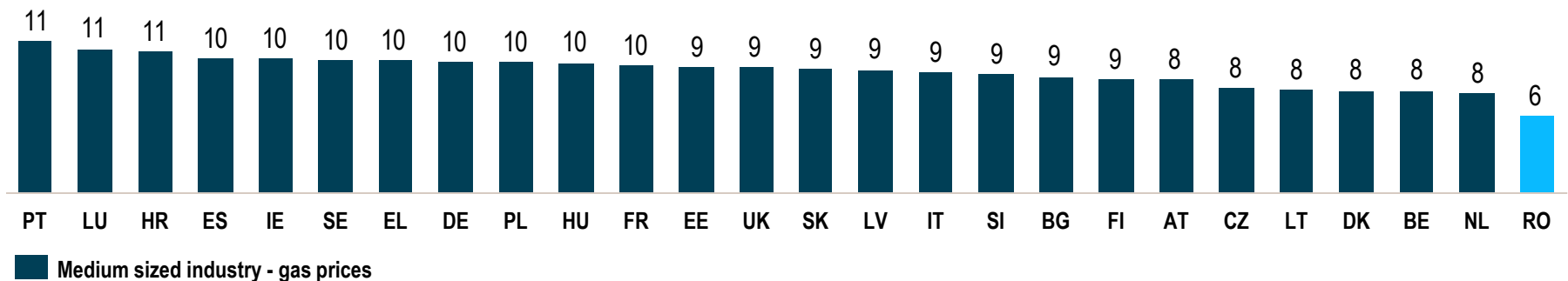
3.1 Cost of doing business

Romania has some of the lowest energy prices in the EU

Electricity prices in the EU [EUR / 1000 kWh, 2015]

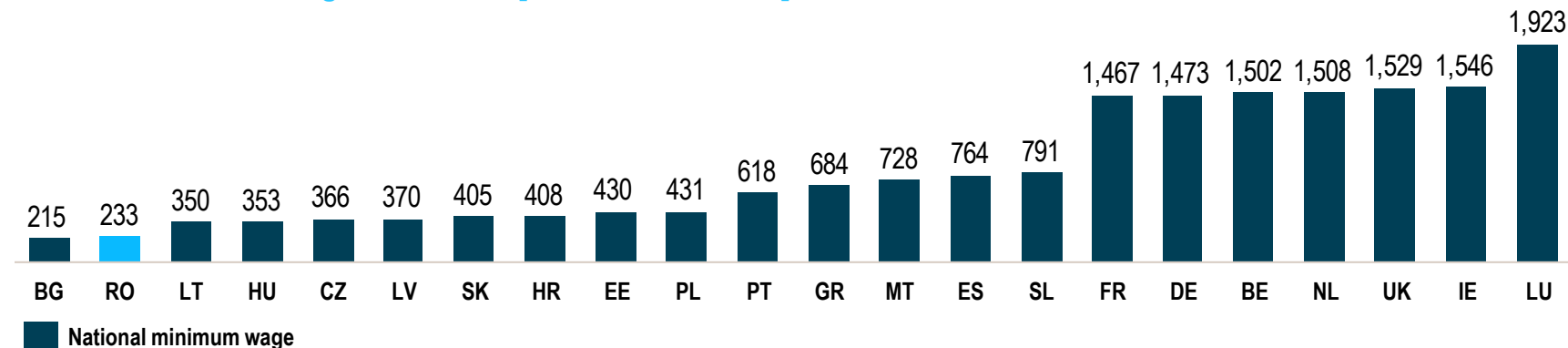


Gas prices in the EU [EUR / gigajoule, 2015]

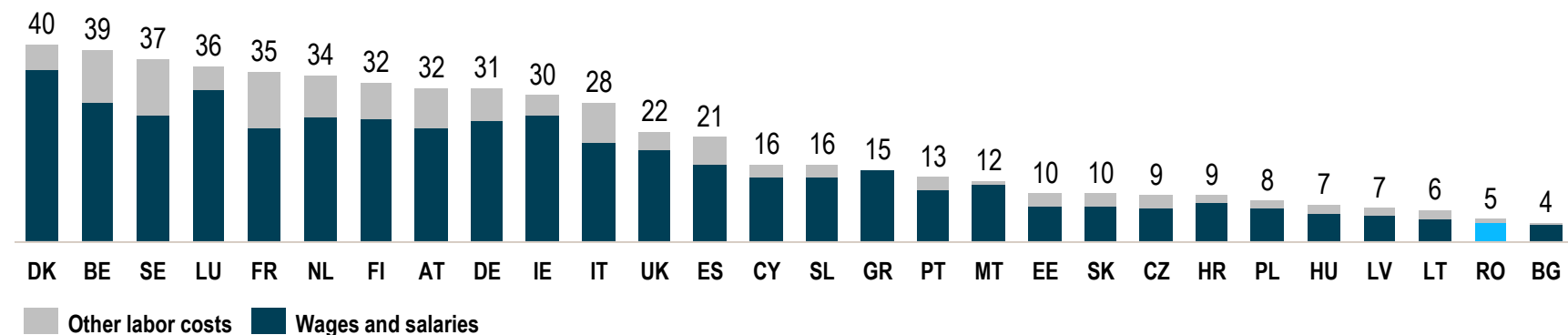


Romanian labor costs are some of the lowest in the EU, maintaining a competitive position relative to member states

National minimum wages in the EU [EUR/ month, 2016]*



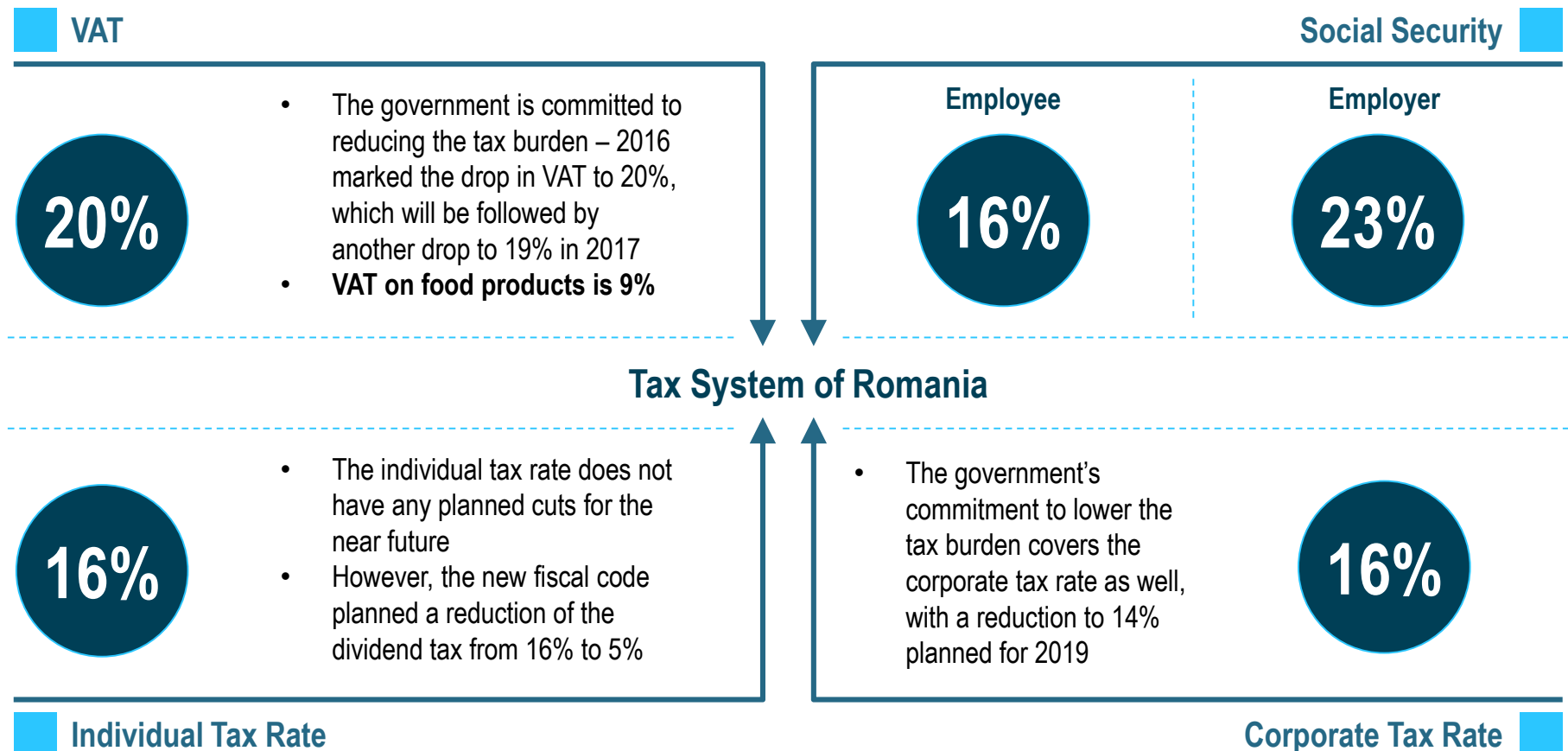
Estimated average hourly labor costs [EUR/ h, 2014]**



* Denmark, Italy, Cyprus, Austria and Finland have not implemented a national minimum wage; ** Enterprises with 10 or more employees

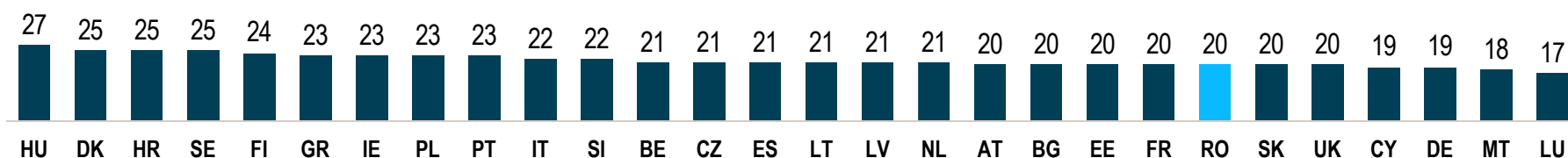
With the local taxes already low compared to European peers, the government plans future tax cuts through the new fiscal code

Overview of the Romanian tax system

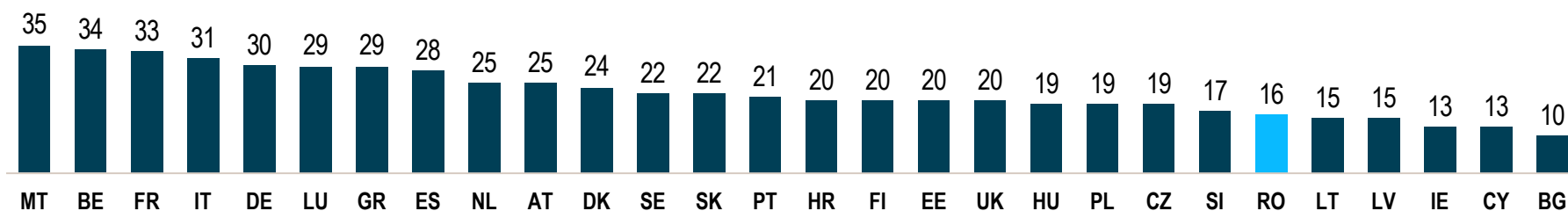


The taxes are some of the lowest in the EU, with planned policies aiming to reduce them even further in the favor of businesses (1)

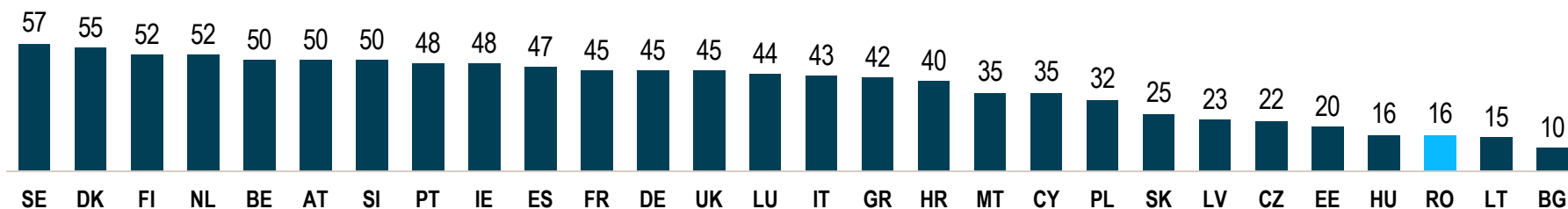
VAT in the EU [2015, %]



Corporate tax rate in the EU [2015, %]

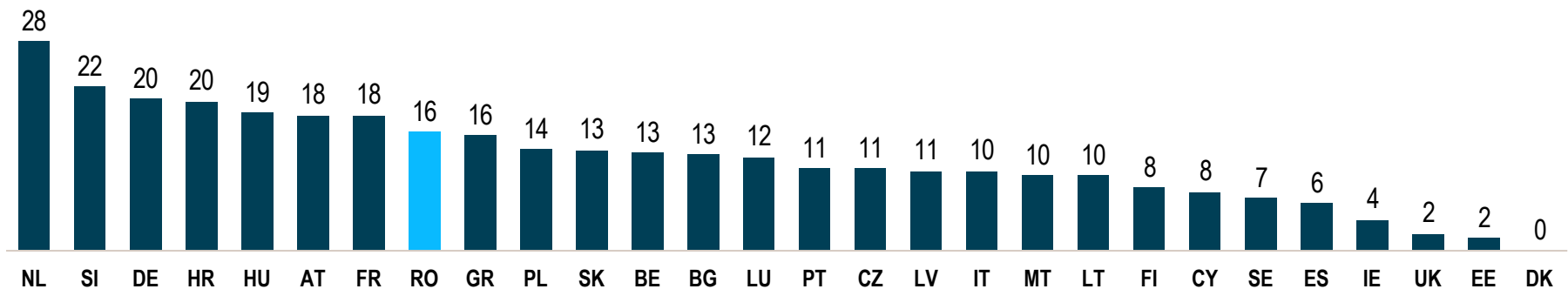


Individual tax rate in the EU [2015, %]

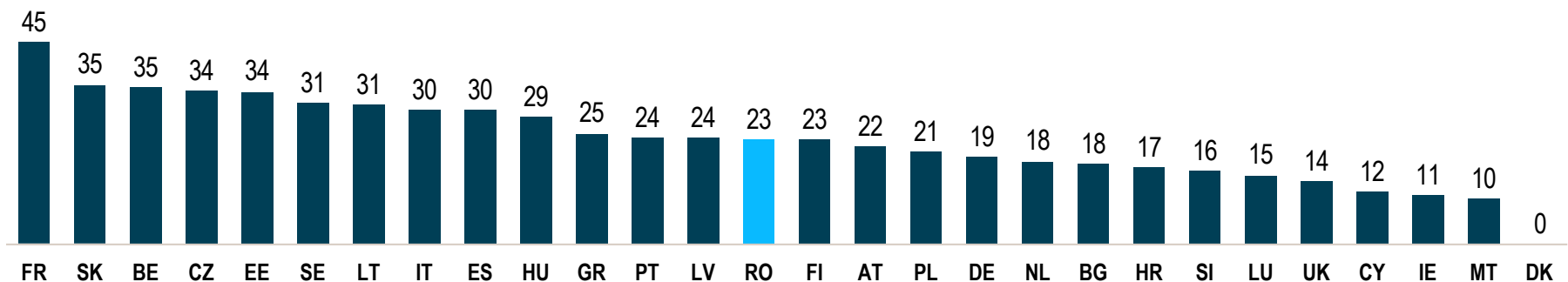


The taxes are some of the lowest in the EU, with planned policies aiming to reduce them even further in the favor of businesses (2)

Employee social security in the EU [2015, %]

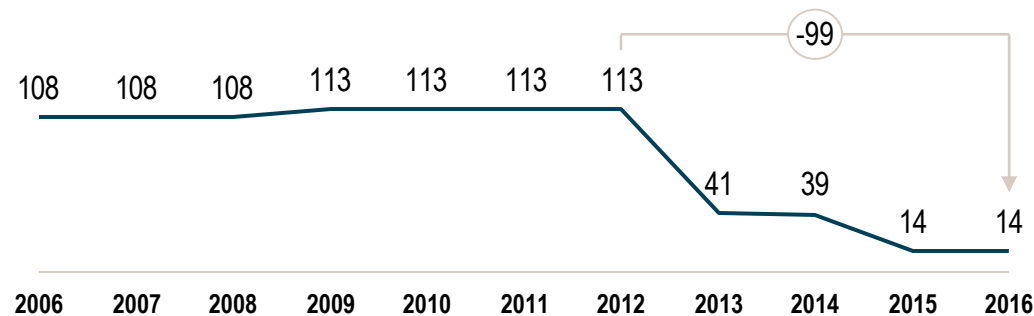


Employer social security in the EU [2015, %]



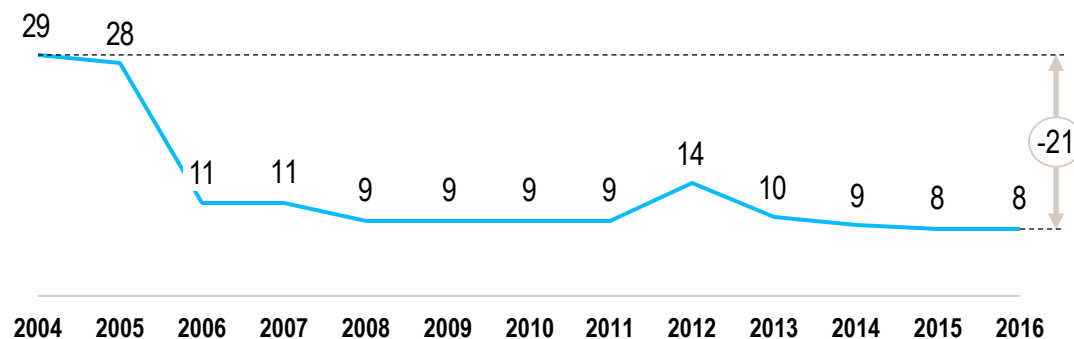
The government is showing more and more support to the private sector, implementing pro-growth policies to support entrepreneurs (1)

Number of payments required to cover tax costs per year



- From a tax perspective, the number of payments/ year required to fulfil fiscal obligations has dropped dramatically, from 113 in 2012 (historic maximum) to just 14 in 2016
- Coupled with a tax system that is one of the most friendly in the EU, a more accessible tax system is the next step for growth

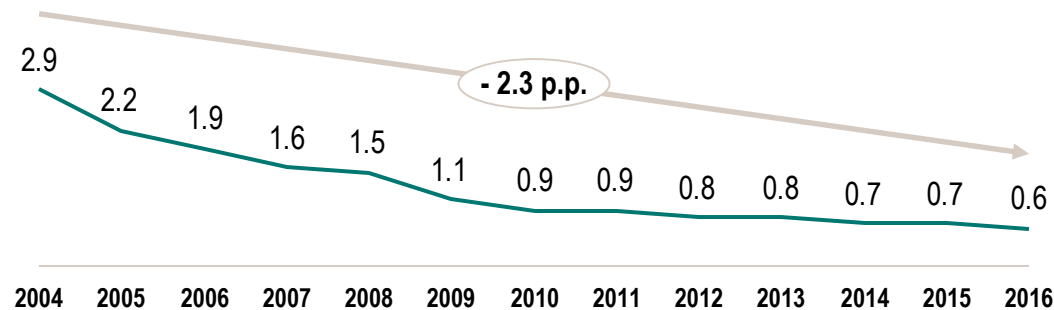
Number of days required to start a business in Romania



- In order to support entrepreneurs, the Romanian government has also simplified the process of opening up a business, reducing the necessary time from 29 days in 2004 to a little over a week in 2016
- For the short, medium and long term, the government is committed to aiding emerging entrepreneurs

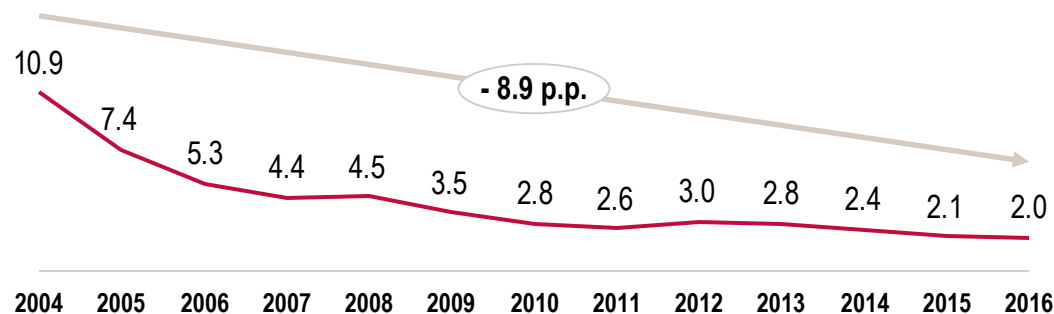
The government is showing more and more support to the private sector, implementing pro-growth policies to support entrepreneurs (2)

Paid-in minimum capital [% of income per capita]



- The pro-growth policy has further implications in the Romanian business environment, with the necessary paid-in minimum capital decreasing by 2.3 percentage points since 2004, reaching a minimum historical value of 0.6% of income per capita

Cost to start a business [% of income per capita]

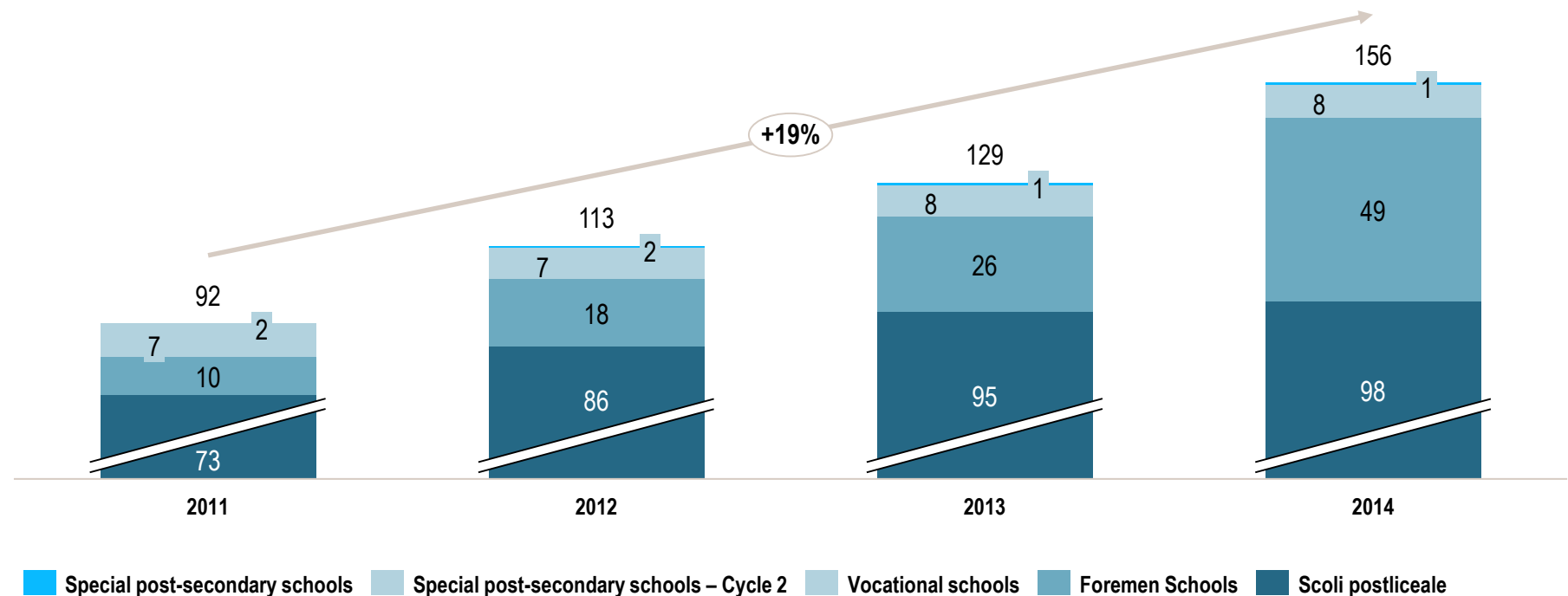


- Overall, the cost to start a business in Romania has decreased by about 9 percentage points every year since 2004, reaching 2% in 2016, the lowest recorded value
- The pro-growth policy is still being implemented, with further tax cuts and aids being developed by the government

3.2 Human capital

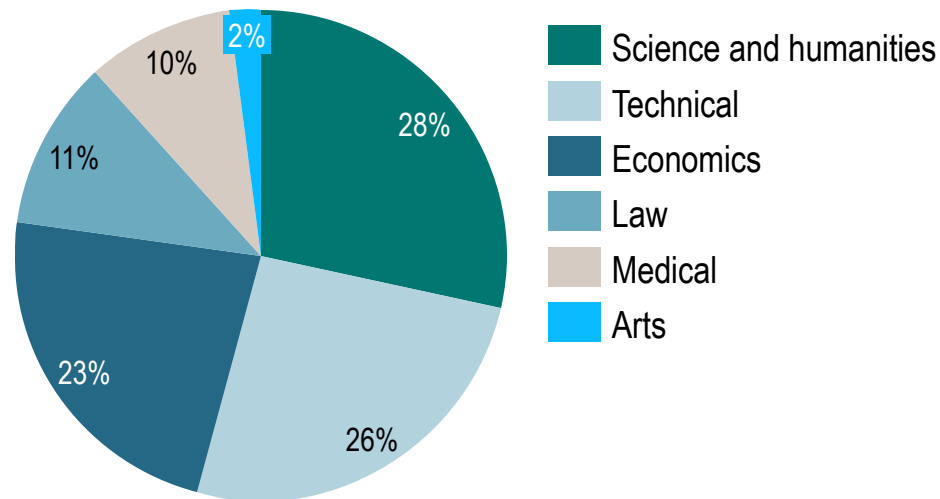
Enrolment in professional education has risen constantly, which translates to a shorter transit from the classroom to the workplace

Students enrolled in professional schools in Romania ['000]

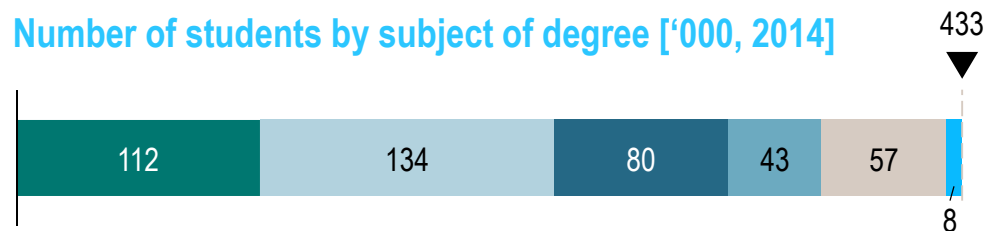


Over a 25% of graduating students will have a technical degree, followed by approx. another quarter in business and economics

Percentage of university graduates by subject of degree [2014]



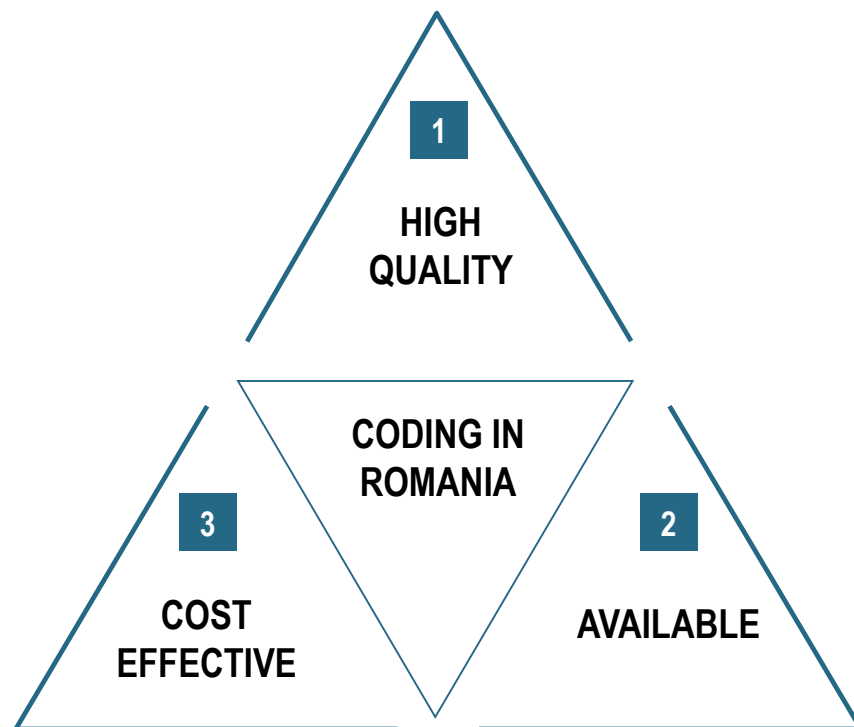
Number of students by subject of degree ['000, 2014]



- The quality of education in Romania is recognized internationally, local students consistently ranking in the top 10 in International Olympiad competitions in math and informatics, better than any other country in the EU
- The focus on technical subjects is significant, with the number of engineers/capita – higher than the US, India, China or Russia
- With 5 polytechnic universities, 59 domain specific universities and 174 private colleges, the most successful students tend to pick high tech industries, such as IT – the local education system supplies over 7,000 IT&C engineers every year
- 99% of Romanian students learn two or more languages in upper secondary education

* Includes: mathematics, physics, biology, chemistry, geography, journalism, history, political and administrative science, philosophy

There are 7,000 IT&C grads in Romania every year, adding to a total of 90,000 with forecasts exceeding the 100,000 mark by 2018



- 1 High quality – top 10 worldwide at math and computer science international olympiads**
 - Romania consistently ranks in the top 10 in International Olympiad competitions in math and informatics, better than any other country in the EU
 - Romanian universities have been in the top 3 of the IEEE Design Competition every year since 2001
- 2 Available – number of engineers/ capita higher than the US, India, China or Russia**
 - There are 5 polytechnic universities in Romania, which together with 59 domain specific universities and 174 private colleges supply over **7,000 IT&C engineers every year**
- 3 Cost effective – value for money is much higher than in Western Europe or the US**
 - Avg. annual salary for a software developer working in Romania is EUR 17,000, with the low living costs implying a standard of living better than even London

9 out of 10 university students are proficient in English, as a result of the fact that almost all students study 2 languages in high school

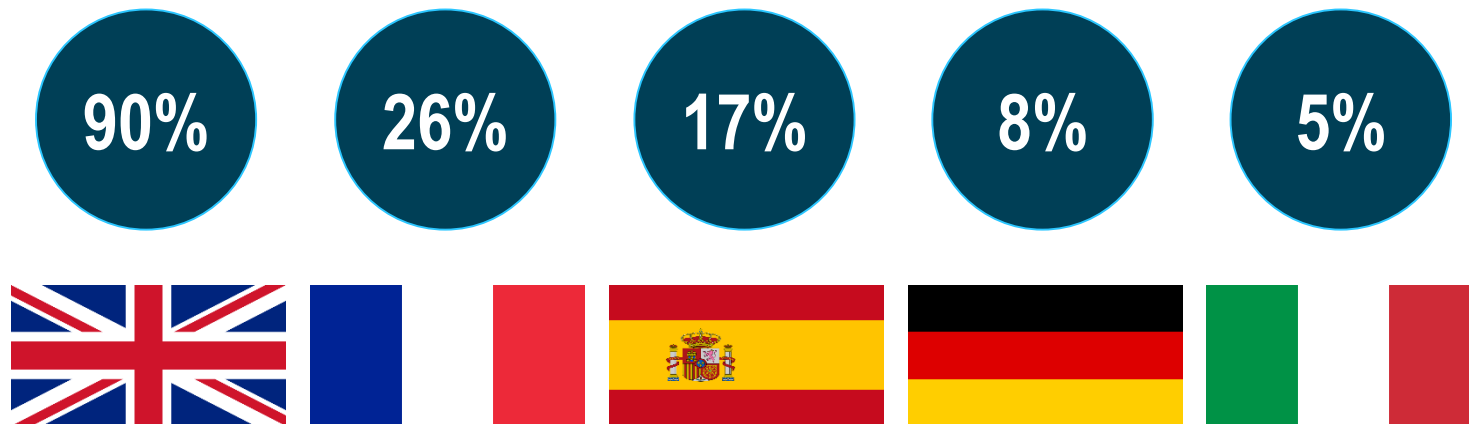
Languages studied by Romanian students [2014]



97%

- 97% of Romanian high school students study 2 or more foreign languages while in secondary education
- The predominant languages are English, French, German and Spanish, yet initiatives for teaching Japanese, Nordic languages or the entire Latin language family (Spanish, Italian, French) exist

University students in Romania are proficient in [% of total]:



The top university centers in Romania are Bucharest, Cluj – Napoca and Iasi, followed by Timisoara, Sibiu, Brasov and Constanta



- = City >100,000 inhabitants
- = City 50,000 – 100,000 inhabitants

Top 3 University Centers

Bucharest - 33 Universities
Cluj - 10 Universities
Iasi - 10 Universities

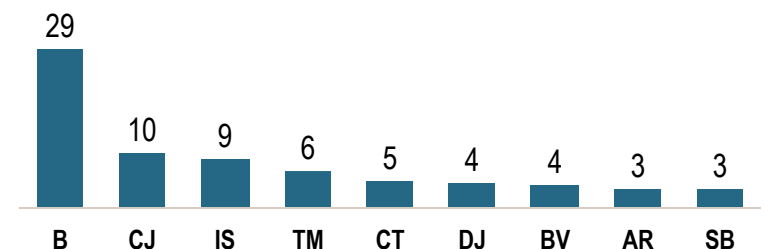
Human Capital Index

Human Capital Index 2015 - Rank 39
Upper-middle income Country - Rank 3

Age group rankings

15 – 24 Rank 45	25 – 54 Rank 36	55 – 64 Rank 29
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Number of graduates by University Center ['000]



3.3 Government support

Fiscal incentives are aimed at leveraging the local technology and R&D capabilities by incentivizing investors and employers (1/2)

Fiscal incentive

Exemption from profit tax

Short description

- 16% profit tax exemption for the reinvested profit in new technological equipment used for business purposes

Income tax exemption for IT&C employees

- An exemption on the 16% income tax is available in Romania for employees activating in IT, under conditions including:
 - Bachelor's degree in one of the 14 technical specializations available
 - Employee is hired on a software engineer/ programmer/ software analyst position
 - Annual revenue per exempted employee must be over USD 10 000

Deduction of R&D eligible expenses

- Eligible R&D expenses include: depreciation of R&D equipment, salaries for R&D personnel
- 50% of these expenses can be deducted from the taxable income

Accelerated depreciation of machinery, equipment and real estate used for R&D purposes

- A deduction of 50% from the fiscal value of the assets during the first year of use, while the remaining value may be depreciated linearly along the expected remaining lifespan
- Accelerated depreciation can be used also for equipment and/ or for research and development activities
- If a company benefits from exemption of the income tax for reinvestment it will not benefit from accelerated depreciation

Fiscal incentives are aimed at leveraging the local technology and R&D capabilities by incentivizing investors and employers (2/2)

Fiscal incentive

Foreign tax credit

Short description

- International income derived by Romanian residents is tax exempted under the following conditions:
 - There is a valid tax treaty between Romania and the relevant jurisdiction (from where the income is derived by the Romanian resident)
 - The interested party (taxpayer) can demonstrate that income tax was paid abroad on the respective income
 - The tax credit cannot exceed the Romanian tax applicable for the respective income

Industrial parks incentives

- Investors that set up manufacturing locations or offices in an industrial, scientific or technological park benefit from
 - Exemption on land, building and urban planning tax
 - Taxes charged for changing land destination


Facilities for people with serious disabilities

- Income received by people with serious disabilities can benefit from income tax exemption (e.g., for salary income, income from freelancing activities)


In a competitive market employment incentives are designed to maximize productivity of the available human resource

Employment incentives

Hiring young graduates for undetermined periods.
The incentives are granted to the employer on a monthly basis for a period of one year.



Hiring unemployed individuals with the age over 45 (for an undetermined period).
The incentives are granted to the employer on a monthly basis for a period of one year.



For both types of incentives the employers will have to take into consideration that they have to maintain working relations for 18 months.

In case of termination the employment contract before this period, the employer will return the incentive if the contract was terminated in the following conditions:

- Termination of the employment contract due to cancellation of the employees position in the company for reasons which are not related to the employee;
- In case the employee does not correspond professionally to the job he has been assigned;
- Nullity of the employment contract observed by the parties agreement or by a court decision; In case that job is occupied again by a person that was illegally fired.

State aid in Romania can be executed through 4 main methods, each being employed by various state aid schemes

- **State Resources transfer**

- Grants
- Fiscal benefits
- Guarantees

- **Selectivity**

- Oil reserves (with 600 million barrels)
- Export growth rate of R&D services
- Energy independence

State Aid policy in Romania has been developed according to EU Law in order to facilitate and stimulate foreign investment in the country

- **Economic Advantage**

- Renting or buying property from the state under the market price
- Subsidies for salary costs
- Access to infrastructure tax-free

- **Effect upon market competitiveness and trade**

- If EU law is obeyed, the skewing effect is drastically reduced, according to the Competition Council

With a budget of EURm 600 for the next 6 years, the two schemes for regional state aid aim to support value adding investments

	GD 2014/ 807	GD 2014/ 332
Aim	<ul style="list-style-type: none"> To support minimum investments valued at EUR 10 million 	<ul style="list-style-type: none"> The creation of at least 10 jobs per location, out of which 3 jobs are for unfavored workers
Eligible Costs	<ul style="list-style-type: none"> Construction of new buildings Renting costs for existing buildings CAPEX aimed at technical installations and tools Acquisition of intellectual property 	<ul style="list-style-type: none"> Salary costs registered for a 2 consecutive year period resulted as a direct consequence of the investment Salary costs are comprised of gross annual salary plus benefits
Budget	<ul style="list-style-type: none"> Total budget for the two schemes is EUR 600 million, with annual investments projected at EUR 100 million 	
Payout	<ul style="list-style-type: none"> 2015 – 2023 	<ul style="list-style-type: none"> 2015 – 2025

- The two schemes offer state aid in the form of non reimbursable grants from the state budget, capped by the limit of maxim intensity approved according to the regional map

Eligibility criteria for companies concern their financial health and their capacity to see the investment project through

Eligibility Criteria for Companies (common)

Eligibility Criteria for Companies (separate)

GD 2014/ 807

- Are registered according to company law no. 1990/31
- Execute an investment in one of the eligible sectors
- Do not have outstanding debt from the general consolidated budget
- Are not registered as enterprises in difficulty or are not debtors in an enforcement or insolvency proceeding, nor are they suspended from activity
- Are not part in a state aid recovery proceeding
- Have not benefited from regional state aid for eligible costs in the same investment project
- Have not closed a similar or even identical enterprise in the European economic area in the past two years and do not plan to do so for the next 2 years after the execution of the initial investment

- Net profitability for existing companies: > 0%
- Equity for new companies: \geq RON 100,000

GD 2014/ 332

- Net profitability for existing companies: >1%
- Equity for new companies: \geq RON 30,000

- In the case of GD 2014/ 807, payout occurs after all or part of the eligible expenses have been covered
- In the case of GD 2014/ 332, payout occurs on a quarterly basis, after all or part of eligible expenses have been covered

There are also eligibility criteria pertaining to the project itself, such as its value and viability over the short, medium and long term

GD 2014/ 807

GD 2014/ 332

**Eligibility Criteria
for Investments
(common)**

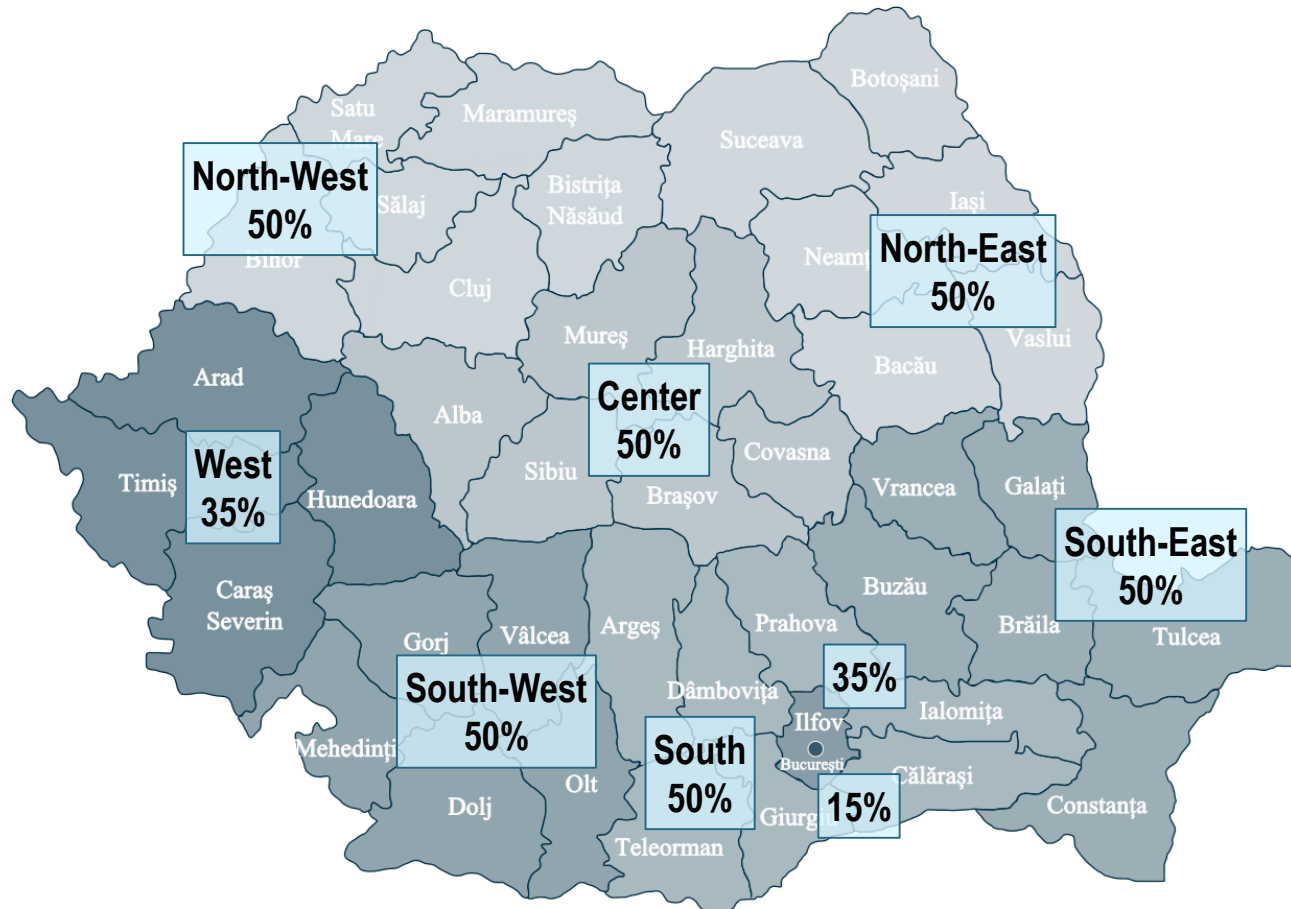
- To be considered initial investments
- In the case of large companies in the Bucharest region, investments must also develop new economic activities within the local ecosystem

**Eligibility Criteria
for Investments
(separate)**

- Minimum value: EUR 10 million
- To be viable and determine the operational efficiency of the company
- To prove the stimulating effect of state aid
- To generate contributions to regional development
- To facilitate extra investment in the region

- To lead to the creation of 10 new jobs per investment location, out of which 3 positions to be covered by unfavored workers
- To be viable and determine the operational efficiency of the company

The intensity of state aid varies according to the region, varying from 15% (in Bucharest) to 50% in most of the country



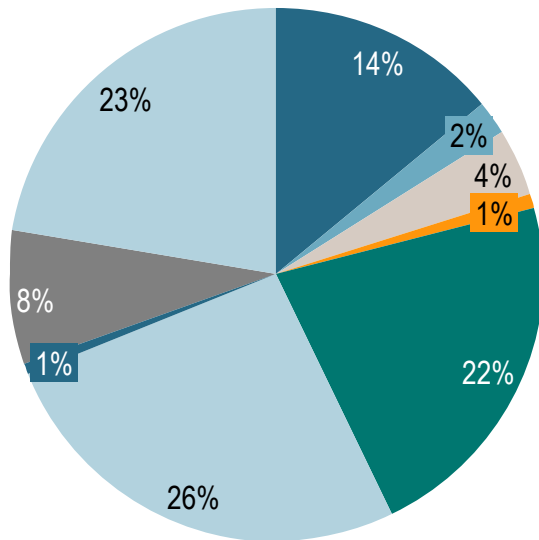
State aid intensity, according to development region:

- North West – 50%
- North East – 50%
- South East – 50%
- South – 50%
- South West – 50%
- West – 35%
- Ilfov County – 35%
- Bucharest – 15%

- State aid intensity is established as per EU and national regulations and is subject to change according to EU law on the matter
- Development regions of Romania represent a split of counties into larger regions in order to technically better target development programs and policies

European Structural and Investment Funds (ESIF) offer support for risk averse investors targeting low volatility sectors

Budget distribution on programs [%]



In total more than €30 billion in funding will be provided during the 2014-2020 Partnership Agreement

- ESIF will be provided through 5 programs
 - European Agricultural Fund for Rural Development (EAFRD)
 - European Maritime and Fisheries Fund (EMFF)¹⁵
 - European Regional Development Fund (ERDF)
 - European Social Fund (ESF)
 - Cohesion Fund (CF)
- More than €1 billion allocated to R&D and innovation (TO1), supporting the national target of 2% of GDP invested in R&D (against 0.49% in 2012)
- €3.9 billion to be invested to support the shift to low carbon economy
- €22.4 billion for Cohesion Policy (ERDF, ESF, Cohesion Fund)
- Cohesion policy will be delivered by 8 operational programs

ERDF CF ESF+YEI ESF ERDF Comp ERDF TA ERDF REG EARDF EMFF

The Investment Plan for Europe (Juncker Plan) can be a very effective financing tool for riskier projects through the EFSI*

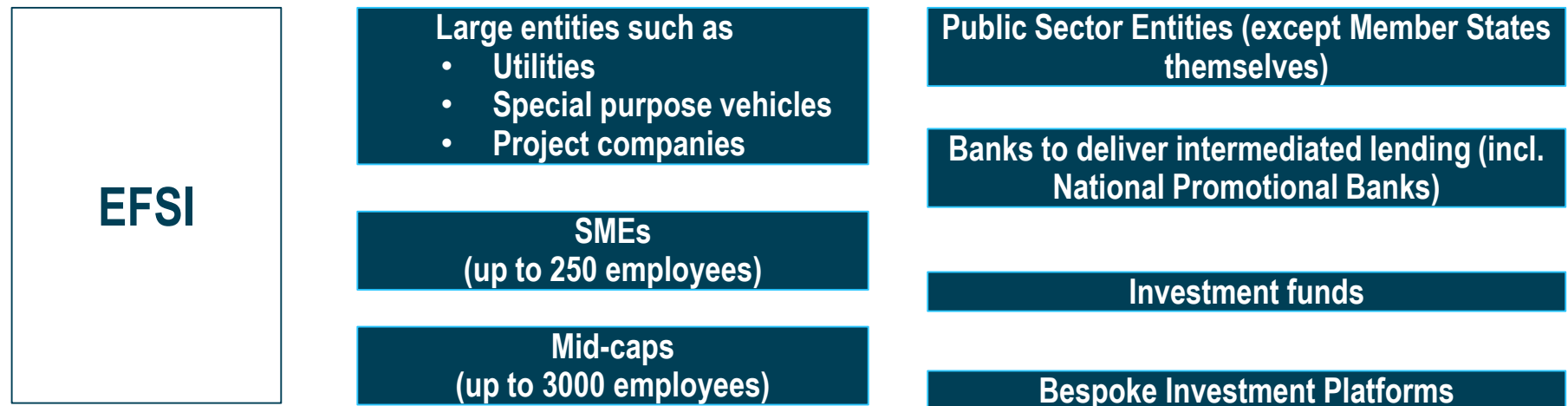
EFSI investment thesis outline

SECTORS	COMPANIES	POLICY
<ul style="list-style-type: none"> • The EFSI will target specific sectors, including: <ul style="list-style-type: none"> – Infrastructure – Education – Research – Innovation – Renewable energy – Energy efficiency 	<ul style="list-style-type: none"> • The companies targeted by the EFSI for investment must fall into one of the following two categories: <ul style="list-style-type: none"> – Small and medium enterprises (250 employees maximum) – Mid-caps (250 to 3000 employees) 	<ul style="list-style-type: none"> • Companies will also have to facilitate the following objectives: <ul style="list-style-type: none"> – Promote job creation – Long term growth – Competitiveness
<ul style="list-style-type: none"> • Besides the three filters, the criteria on which investment decisions are based include: <ul style="list-style-type: none"> – Economic viability with the support of the initiative – Sufficiently mature character in order for the business to be appraised on a global or local basis – Consistency with EU policy priorities and value adding character at European level – Maximization of private sector financing • Projects do not have to be cross border 		

* EFSI = European Fund for Strategic Investment is a EUR 21 billion guarantee fund and core of the Investment Plan for Europe dedicated to facilitating private investment across the EU

However, it is not only companies that can apply for EFSI financing; investment funds, public sector entities or banks are also welcome

Entities that can apply for EFSI financing



- There are two main ways to apply for EFSI financing:
 - Through direct contact of the EIB with the proposal, following the usual application on the EIB website for the strategic investment window – the government is not a gatekeeper in this process
 - Through the EIF financial intermediaries (dedicated to SMEs and mid-caps)

4. Life in Romania and key takeaways

More than 10 nationalities have developed expat communities in Romania, particularly in its large urban centers (Bucharest, Cluj)

Expats networks in Romania by home country and main originating cities



- Toronto
- Vancouver
- Montreal
- Ottawa



- London
- Birmingham
- Glasgow
- Liverpool



- Rome
- Milan
- Turin
- Genoa



- New Delhi
- Mumbai
- Kolkata
- Bangalore



- Warsaw
- Katowice
- Krakow
- Lodz



- New York
- Chicago
- Houston
- Los Angeles



- Berlin
- Hamburg
- Munich
- Cologne



- Paris
- Marseille
- Lyon
- Lille



- Madrid
- Barcelona
- Valencia
- Seville



- Amsterdam
- Rotterdam
- The Hague

Life in Romania is good: the culture, the people and the places make it rich in great experiences for expats

In Bucharest, you need a monthly salary of...

46 580 Czech Koruna

7 381 Zlotys

1 700 Euro

1 365 Pounds

1 714 Euro

1 738 Euro

538 500 Forints

... to maintain the same standard of living from...



Prague



Warsaw



Vienna



London



Berlin



Paris



Budapest

... with a salary of:

57 000 Czech Koruna

8 800 Zlotys

3 300 Euro

4 500 Pounds

3 100 Euro

4 400 Euro

610 000 Forints

Compared with other EU capital cities, the standard of living in Romania is high considering the differences in living costs

	BUCHAREST vs. BERLIN	BUCHAREST vs. LONDON
Consumer Prices	• 41% lower in Bucharest	• 57% lower in Bucharest
Rent Prices	• 56% lower in Bucharest	• 86% lower in Bucharest
Restaurant Prices	• 38% lower in Bucharest	• 64% lower in Bucharest
Groceries Prices	• 44% lower in Bucharest	• 55% lower in Bucharest
Standard of living equivalency (EUR 1,700 net salary in Bucharest)	• EUR 3,100 net salary in Berlin ensures the same standard of living	• EUR 5,707 net salary in London ensures the same standard of living

Romania – a stable business climate, great investment opportunities, competitive workforce and outstanding lifestyle options

Investing in Romania

Potential market of over 20 million consumers
One of the most dynamic economies in Central and Eastern Europe

One single corporate tax level of 16%
43 billion EUR European funds assigned before the end of 2020
Tax exemption for reinvested profit

2016

More than 10 nationalities have developed expat communities
High living standards and lifestyle
Rich experiences for expats

Few cultural and linguistic barriers
University graduates are flexible, innovative and future-oriented



An important domestic market and stable/safe country



A competitive tax policy and state support for businesses



Talented and skilled workforce



High life standards, great lifestyle and rich personal experience