Introduction

Romania is a country located at the crossroads of Central and Southeastern Europe. It has a coastline on the Black Sea and borders Bulgaria, Hungary, Moldova, Serbia, and Ukraine. Romania has mountain ranges running from the north and west in the interior, which are collectively known as the Carpathians. The government system is a republic; the chief of state is the president, and the head of government is the prime minister. Romania has a mixed economy which includes a variety of private freedom, combined with centralized economic planning and government regulation. Romania is a member of the European Union (EU).

Location: Eastern Europe  
Capital City: Bucharest (+2 GMT)  
Chief of State: President Klaus Iohannis  
Head of Govt.: Prime Minister Sorin Grindeanu  
Currency: New Lei (RON)  
Major Languages: Romanian (official) 85.4%, Hungarian 6.3%, Romany (Gypsy) 1.2%, other 1%, unspecified 6.1%  
Primary Religions: Eastern Orthodox (including all sub-denominations) 81.9%, Protestant (various denominations including Reformed and Pentecostal) 6.4%, Roman Catholic 4.3%, other (includes Muslim) 0.9%, none or atheist 0.2%, unspecified 6.3%  
Calling Code: 40  
Voltage: 230

Key Websites

Main Government Page: gov.ro  
Commerce Ministry: economie.gov.ro

Key Economic Facts

| Income Level (by per capita GNI): | Upper Middle Income  
| Level of Development: | Developed  
| GDP, PPP (current international $): | $49.29 billion (2018)  
| GDP growth (annual %): | 3.95% (2018)  
| GDP per capita, PPP (current international $): | $28,206.36 (2018)  
| Inflation, consumer prices (annual %): | 4.63% (2018)  
| Labor force, total: | 8,844,178 (2019)  
| Unemployment, total (% of total labor force) (modeled ILO estimate): | 4.16% (2019)  

GDP Composition %

<table>
<thead>
<tr>
<th>Agriculture</th>
<th>Services</th>
<th>Industry</th>
<th>Manufacturing</th>
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<tr>
<td>4</td>
<td>57</td>
<td>29</td>
<td>20</td>
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</table>

*Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.

Rankings

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<th>Rank</th>
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<td>Corruption Perceptions Index</td>
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<tr>
<td>EY Globalization Index</td>
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<td>Global Competitiveness Index</td>
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<td>Global Services Location Index</td>
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<td>Index of Economic Freedom</td>
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<td>Inward FDI Potential Index</td>
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<td>KOF Index of Globalization</td>
<td>35 / 185</td>
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<td>Networked Readiness Index (NRI)</td>
<td>66 / 139</td>
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<td>Open Budget Index</td>
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Risk Assessment (Provided by Coface)

Country rating: A4 - A somewhat shaky political and economic outlook and a relatively volatile business environment can affect corporate payment behavior. Corporate default probability is still acceptable on average.

Business Climate rating: A3 - The business environment is relatively good. Although not always available, corporate financial information is usually reliable. Debt collection and the institutional framework may have some shortcomings. Intercompany transactions may run into occasional difficulties in the otherwise secure environments rated A3.

Strengths

- Large domestic market
- Significant agricultural potential: wheat, barley, colza, etc.
- Limited energy dependence (23%) thanks to coal, oil, gas and uranium
- Large-scale renewable electricity production (37%)
- Diversified and competitive industry thanks to cheap labor

Weaknesses

- Demographic decline: low birth-rate and emigration of educated youth
- Serious regional disparities in terms of education, vocational training, healthcare and transport; rural regions lag behind
- Low participation rate for Hungarian and Roma minorities, young people, and women in the economy
- Large informal economy
- Inefficient agricultural sector
- Slow bureaucratic and legal processes; corruption

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