

Doing business in Romania



Are you a member of a UK company wishing to export overseas?

Interested in entering or expanding your activity in the Romanian market? Then this guide is for you!

The main objective of this **Doing Business Guide** is to provide you with basic knowledge about Romania; an overview of its economy, business culture, potential opportunities and an introduction to other relevant issues. Novice exporters, in particular will find it a useful starting point.

Further assistance is available from the UKTI team in Romania. Full contact details are available at the end of this guide.



Important Information - Sanctions and Embargoes

Some countries maybe subject to export restrictions due to sanctions and embargoes placed on them by the UN or EU. Exporting companies are responsible for checking that their goods can be exported and that they are using the correct licences.

Further information is available on the [Businesslink site](#)

The purpose of the Doing Business guides, prepared by UK Trade & Investment (UKTI) is to provide information to help recipients form their own judgments about making business decisions as to whether to invest or operate in a particular country. The Report's contents were believed (at the time that the Report was prepared) to be reliable, but no representations or warranties, express or implied, are made or given by UKTI or its parent Departments (the Foreign and Commonwealth Office (FCO) and the Department for Business, Innovation and Skills (BIS)) as to the accuracy of the Report, its completeness or its suitability for any purpose. In particular, none of the Report's contents should be construed as advice or solicitation to purchase or sell securities, commodities or any other form of financial instrument. No liability is accepted by UKTI, the FCO or BIS for any loss or damage (whether consequential or otherwise) which may arise out of or in connection with the Report.

Content

<u>Introduction</u>	4
<u>Preparing to export to Romania</u>	9
<u>How to do business in Romania</u>	10
<u>Business etiquette, language and culture</u>	13
<u>What are the challenges?</u>	15
<u>How to invest in Romania</u>	16
<u>Contacts</u>	17
<u>Resources/Useful Links</u>	18

Introduction

Romania is the 9th largest member of the EU 27 by size (238,931 square kilometers) and the 7th largest by population (21.7 million) and is located in South-Eastern Europe.

Neighbouring countries are Ukraine in the North, Republic of Moldavia in the East, Bulgaria in the South and Hungary and Serbia in the West.

Located within the confluence of the Carpathians-Danube and Danube-Black Sea ecosystems, Romania is much admired for its beautiful and diverse natural landscape.

Romania joined the EU on 1 January 2007 and had one of the fastest growing economies in Europe until 2008. In 2009, due to the impact of the global recession, Romania experienced negative growth though consensus is for between 1-1.5% growth this year.

Constitutionally, Romania is a republic based on multi – party democracy and separation of legal, executive and judicial powers. President Traian Basescu is Head of State. The current Prime Minister is Emil Boc.

In 2009 Romania' Nominal GDP was €115.7 billion and the inflation rate estimated at 5.16%. Romania intends to enter the euro-zone in 2014.

Strengths of the market

- A strategic location - access to countries of former CIS, Balkans, the Middle East and Northern Africa; junction of 3 prospective European transportation corridors 4,7 and 9. Romania – a Latin Island in a Slavic Sea
- Stability factor in South Eastern Europe (EU, NATO and UN)
- Beneficiary of EUR billion 31 of structural and agricultural funds over the period 2007-2013
- An important domestic market of 22 million consumers, 100 m when taking into account neighbouring countries
- A young, well trained and educated work force; English is widely spoken
- The availability of support from foreign lawyers, accountants and consultants, already well established in Romania, to help foreign investors

Opportunities in Romania

- Energy - the National Energy Strategy has set the following objective: electricity from renewable sources to reach 33% of the total energy consumption in 2010, 35% in 2015 and 38% in 2020.
- The EU Climate Change/Energy package includes the following objective for Romania: 24% of total energy consumption in 2020 to come from renewable sources.
- Transport - €4.6 billion to be allocated to construction/rehabilitation of national roads, by-passes, motorways and railway rehabilitation (network, bridges, tunnels and services), navigation, ports and airports
- Environment - €5.6 billion to be allocated to water /wastewater systems, waste management & rehabilitation of contaminated sites, nature protection and risk prevention;
- Rail/Road Transport & Logistics: €5bn of EU funding available for road and rail projects until 2013. About 50% to be devoted to rail sector. UK has extensive experience in these sectors and could offer support especially in the potential privatisation process of CFR Freight and CFR Passengers.
- Automotive: Sector is developing fast both in terms of new cars sales and investment mainly by 1st and 2nd tier foreign manufacturers. Over 40 foreign manufacturers of components have established manufacturing facilities in Romania to take advantage of lower wages (up to 8 times less than some EU countries) and very good technical skills. By 2010, the automotive manufacturing sector forecasts €10bn turnover, based on a total investment of €8bn. For instance, Dacia's exports 3rd qtr 2009 reached €1.5 bn, a €500m increase on previous year. Main market Western Europe
- Consultancy: Accessing and absorbing EU structural funds has been recognised as a priority by the Romanian Government.
- A strong appetite by the Romanian Government to undertake small and large scale PPP projects. Key areas will be Infrastructure, Healthcare and Prisons.
- Major opportunities to help modernise farming, livestock and agriculture and help return Romania to becoming once again self sufficient and a net food exporter.

Trade between UK and Romania

After Poland, it is the second largest consumer market in Central and Eastern Europe. Since EU accession, there has been growing interest from UK business in Romania, which has not diminished despite the onset of the economic crisis. Over €4 billion of investment and more than 4,000 UK companies place the UK as Romania's 10th largest inward investor. Bilateral trade accounted for over €1.6 billion in 2009.

Economic Overview

Following the collapse of communist rule in 1989, Romania underwent a long period of economic transition to a market economy. Compared to its Central and Eastern European neighbours, this process has been neither smooth nor particularly well-managed, and included two periods of economic recession.

Since 2000 there has been more progress. An extensive programme of economic reforms has included the privatisation of a large number of state-owned enterprises and the restructuring of Romania's energy, mining and industrial sector. The reform programme closely followed IMF requirements for fiscal restraints and economic restructuring, particularly in the energy sector. In 2004, the European Commission gave Romania 'functioning market economy' status. The economy grew at an average annual rate of 6% between 2000 and 2008, with a peak of 8.5% in 2004, mainly driven by strong domestic demand. There has been rising demand for Romanian exports of steel, cars, and light machinery.

Agriculture has remained a weakness. It represents about 8.1% of GDP, but it is mainly of a subsistence nature. After 15 years of slow progress, the reform of the sector has been sped up in the last couple of years. However, it is still characterised by low productivity and small land-holdings, despite being largely in private hands. Direct payments from CAP and rural development funds are likely to raise living standards in the poor countryside as farmers and local authorities are eagerly applying for funding. Significant amounts of structural funding have been allocated for the 2007-2013 timeframe and despite a slow start in absorbing them, Romania is expected to reap the benefits and develop its underdeveloped infrastructure.

The global financial and economic crisis hit Romania late, but hard, at the beginning of 2009. Economic growth dropped from 7.1% in 2008 to -7.1% in 2009. The construction sector went into dramatic decline, and credit activity slowed. Both the trade and current account deficits adjusted rapidly. Struggling with rising public expenditure and lower revenues, the Government requested IMF and EC financial assistance in March 2009. The agreed package totalled €19.95 bn. The IMF agreement had a positive impact on investors' confidence that was eventually cancelled by the political instability that preceded the Presidential elections in December 2009. In the medium-term, President Basescu is hopeful that the IMF agreement could force reform of the public sector that would otherwise have been unlikely.

What happens in the months to come depends partly on the ability of the new Government to cut spending and restructure the public sector. Getting a grip on public expenditure remains a tough challenge but the Government needs to reduce the public wage bill in order to continue the IMF agreement. Public spending on wages still represents 9% of GDP. For the IMF agreement to continue it has to be cut to 5.9% in 2010 and at least 30 000 public sector jobs need to be cut.

The short-term picture is thus not very optimistic. However, Romania remains well placed to resume a path of above average economic growth once the global crisis ends. It remains an attractive destination for foreign investment, particularly in sectors such as environment and renewable energies, IT and infrastructure.

Population

As at July 2005 the population of Romania was 22,329,977 million, of whom 55% live in urban areas. The majority of Romanians are of Latin origin. There are sizeable populations of ethnic Hungarians and Germans living mainly in Transylvania.

Political Overview

Recent history

From 1946 to 1989 Romania was ruled by the Communist Party, led after 1965 by Nicolae Ceausescu. Following a popular uprising in the Western town of Timisoara, which quickly spread to the rest of the country, the Ceausescu regime was overthrown and Ceausescu and his wife Elena were executed on 25 December 1989. In the aftermath of the revolution a committee known as the National Salvation Front (FSN) assumed charge of the country.

1990-1996

The first post-communist general election in May 1990 was won by the FSN and the first presidential election by Ion Iliescu. The FSN later became the Party for Social Democracy in Romania (PDSR) and won the general election in 1992. This government's performance was mixed. There was little progress in tackling corruption, reforming Romania's bureaucracy and introducing a market economy.

1996-2000

In November 1996, Emil Constantinescu of the centre-right Democratic Convention (DC) won the presidential election and a coalition government of the DC, centre-left Union of Social Democrats and the Democratic Union of Hungarians in Romania (UDMR) formed a new government. This coalition managed with some difficulty to remain together until the elections of 2000, but failed to perform well on the economy or the fight against corruption.

2000-2004

Disappointment with the Constantinescu government led to the return of Ion Iliescu as President in 2000 who appointed Adrian Nastase as Prime Minister. Elected on a platform of economic reform and integration with the West, Romania became a NATO member in 2004 and laid the foundations for accession to the EU in 2007.

2004-2010

In the June 2004 local election, Traian Basescu emerged as a charismatic leader who won the local elections and became Mayor of Bucharest. In December 2004 he entered the presidential race. He defeated his opponent Adrian Nastase (PSD) and became Romania's President. Shortly after, he nominated Calin Popescu Tariceanu, from the Liberal Party (PNL) to head a coalition Government between the Liberals, the Democrats and the Hungarian minority party. This centre-right alliance initiated a series of economic reforms like the introduction of the 16% flat tax or the acceleration of the privatisation programme. The governing alliance collapsed in spring 2007 but the Liberals continued to run the country with the Hungarian party through a minority government, supported in Parliament by the Social-Democrats (PSD). Tension rose between President Basescu and PM Tariceanu leading to repeated political rows. Reform stalled and the Government lost control of public finances in the run up to the general elections in November 2008. After winning by the slightest of margins, the Democrats formed a coalition Government with the Social Democrats commanding a 70% majority in Parliament. The Liberals and the Hungarian party went into opposition. This coalition Government led by Democrat leader Emil Boc also fell apart in October 2009 after only 9 months in power. After winning his second mandate in December 2009, President Basescu nominated PM Boc to lead a governing alliance between the Democrats and the Hungarian minority party. The President serves a term of 5 years in office. Government elections are held every 4 years.

Getting here and advice about your stay

FCO Travel Advice

The FCO website has travel advice to help you prepare for your visits overseas and to stay safe and secure while you are there.

For advice [please visit the FCO Travel section](#)

Getting here

By air

The main international airport is Otopeni, situated 10 miles to the north of Bucharest. The national airline, TAROM, and British Airways operate direct daily flights from Heathrow.

Airport Departure Tax: Airport taxes are included in the cost of air tickets.

At the airport

The international airport, Otopeni, is about half an hour's drive to the north of Bucharest. Buses leave from the airport to the centre of Bucharest and vice versa, every 15 to 20 minutes.

The domestic airport, Baneasa, six miles to the north of Bucharest, is on the same road as the international airport.

By road

Bucharest is 400 miles from Budapest and 185 miles from Sofia. Romania's road infrastructure is in need of upgrading with only 323km of motorway that are up to EU standards

Rail

Train services operate to a number of European cities, including Budapest, Vienna and Munich.

Getting around

Train

Bucharest's main railway station, Gara de Nord is five to ten minutes' drive from the city centre.

There are frequent services to the major Romanian cities and towns and international destinations. Departure and arrival information can be obtained by dialing 952, and from:

Agentia CFR

(Railways Agency)

10-14 Domnita

Alexandra

BUCHAREST

Tel: +40 21 3132642/3132643

Tickets can be booked by:

Tel: +40 21 3132644 (domestic travel)

+40 21 3145528 (international travel)

www.cfr.ro

First-class travel is advisable. The quality of services can be variable.

Taxis

Taxis are available at the airport, outside hotels and at stands along major thoroughfares. Beware of overcharging. The approximate cost for a journey from Otopeni airport to the centre of the town is £13 to £20. Taxis are metered. Ensure the meter is running before starting your journey.

Roads

Roads linking Bucharest to the major cities and towns are generally good. The condition of secondary roads is generally poor.

Car Hire

Major international car rental firms have outlets at the international airport and major hotels as well as town offices. Costs vary depending on the model and length of hire.

Typical charges are between £40 and £80 per day.

Hotels

A number of international hotel chains operate in Romania. All major hotels offer business facilities to their guests.

Advance reservation is advisable, especially in the summer and during international fairs and exhibitions. Payment can be made by cash (lei or convertible currency), travellers' cheques and credit cards.

[The Romania Official Travel & Tourism site is a useful guide.](#)

Restaurants

A wide range of restaurants, serving both local and international cuisine, can be found in Bucharest. Menus are often in English, and English-language publications, such as Bucharest In Your Pocket, provide comprehensive listings of restaurants and bars in the capital.

Tipping

Tipping is widely practised in hotels, restaurants and bars. In some restaurants, a service charge is automatically included. Elsewhere, between 10% and 20% of the bill is acceptable. Taxi drivers expect a 10% tip.

Electricity Supply

The electricity supply is 220V, 50 Hz. Two-pin round continental-type plugs are generally used.

Weights & Measures

The metric system is in use.

Drinking Water

Tap water in cities and towns is of variable quality and may be discoloured at certain times of the year. It is recommended to drink bottled water, which is readily available in hotels, restaurants and super-markets.

Health Insurance

There are reciprocal healthcare agreements between Romania and the UK.

Preparing to export to Romania

As a result of joining the EU in 2007, standard EU business practices generally apply in Romania. It is generally recommended to seek local business partners, with have the capacity to distribute and provide local support. Licensing and franchising are becoming increasingly popular.

UKTI's team in Bucharest can provide a range of services to British-based companies wishing to grow their business in Romania market. Our services include the provision of market information, validated lists of agents/potential partners, key market players or potential customers; establishing the interest of contacts interested in collaboration; and arranging appointments. In addition, we can also organise events for you, enabling you to meet key contacts or promote your company and its products/services.

You can commission these services under which are chargeable and operated by UK Trade & Investment (UKTI) to assist British-based companies wishing to enter or expand their business in overseas markets. Under this service, the Embassy's Trade & Investment Advisers, who have wide local experience and knowledge, can identify business partners and provide the support and advice most relevant to your company's specific needs in the market.

To find out more about commissioning work, please contact your local UKTI office. See www.ukti.gov.uk

How to do business in Romania

What companies should consider when doing business

Key areas for business

Bucharest, with c2.25 million people, is the capital and the main commercial and political centre. Other important cities are:

Romania: Major Cities

City	Population
Constanta (the principal port on the Black Sea)	c348,000
Galati (a major port on the Danube)	c326,000
Iasi	c341,000
Cluj-Napoca	c332,000
Timisoara	c322,000
Brasov	c322,000
Craiova	c307,000

Customs and Regulations

Customs duties

As a member of the European Union, Romania applies EU customs procedures and principles. The numbering and nomenclature of goods are in accordance to international standards.

Import controls

On January 1st 2007, Romania became a fully-fledged member of the EU and follows the EU rules regarding imports.

A Certificate of Conformity is still required for certain categories of goods. For more information, please contact the Trade & Investment Section of the British Embassy in Bucharest.

Anti Dumping and Countervailing

An anti-dumping duty can be prescribed by the Government for goods that are imported into Romania with a value that can threaten or damage the market for domestic goods.

Getting your goods to market

Port and Warehouse Facilities

Constanta, Agigea and Mangalia are the main ports on the Black Sea Coast. There are also large ports on the Danube (Galati, Cernavoda and Braila). Constanta is the largest port and the best equipped, with warehouse facilities. Free trade zones exist on the coast, providing tax benefits and customs exemptions for investors and users.

Forwarding and Clearing Agents

Only companies registered in Romania are authorised to clear consignments through customs. Representative offices are not authorised customs agents. The Commercial Section of the British Embassy in Bucharest can provide details of freight forwarding and transport companies based in the market.

Legislation and Local Regulations

The legal framework in Romania is inadequate in a number of areas, and often one piece of legislation conflicts with another. With EU membership these (and many other) issues will be and indeed are being addressed. It is vital to take sound professional legal advice from a competent law firm and a financial/taxation specialist. It is worth paying a bit more to a recognised firm for advice than accepting a cut-price offer to fix things quickly!

Responding to Tenders

In order to ensure transparency in the Romanian public procurement system, all tender announcements are published online, at www.e-licitatii.ro. The website also provides information on the development of each tendering procedure, including data on contract awards. The UKTI Team in Romania is actively involved in providing UK companies with information on tender opportunities in various sectors through business opportunities, which are [posted on the Portal.

British companies bidding for work in Romania as part of a joint venture or on their own should be aware that, as part of the tendering procedures, they will usually be required to submit certain certificates as part of their tender documentation. These are certificates stating that the company is registered and up to date with company taxes and social and health insurance payments. In some cases, company directors, members of the company board or key experts proposed for the project are required to submit a certificate stating that they do not have a criminal record. Such certificates do not exist in the UK, but there are equivalent UK documents or accepted substitutes that companies can provide for satisfying all requirements.

Labelling and Packaging Regulations

Labelling is required to be in Romanian for all consumer products, with clear identification of the country of origin, the manufacturer's and the importer's names, the expiry date and a description of the goods.

Standards and Technical Regulation

The [British Standards Institution](http://www.bsi.org.uk) (BSI) can provide information and advice on compliance with overseas statutory and other technical requirements through their Professional Services team.

Taxes

VAT

VAT was introduced in July 1993, replacing the cascade-type sales tax. Romanian VAT regulations are, in general, in line with EU VAT Regulations. From 1st July 2010, the VAT rate for products and services was increased from 19% to 24%.

From January 2000, the rates are:

General rate 24% (including products that were rated before 11%).

For exports of goods and services, 0% (only if the money is paid into a bank account authorised by National Bank of Romania).

Excise duties are levied on specific products, such as alcoholic beverages, tobacco products, perfumes and coffee. The percentages vary between 1% and 50% and are applied before levying VAT. The excise rates for cigarettes and alcohol are applied to maximum retail price. There are also taxes on land, means of transport, the use of public places, advertising and promotion, and construction certificates.

A 9% VAT preferential rate is applied for pharmaceuticals, books, newspapers, museum fees, hotel and camping services

Income Taxes

Since 2005, Romania has had a 16% flat tax on income and profit

Recruiting and Retaining Staffing

There are many recruitment firms in Romania, some specialising in executive search. With unemployment at around 6.3% there is no shortage of skilled, semi or unskilled labour. The average monthly wage is low, around €420 net per month. The low average is attributable to the

very low salaries payable in the public sector, the major employer. Taxation is relatively high. Income tax and social security contributions can amount to 40% of an employee's earnings. Employers' contributions to social security and other funds average around 40% of the monthly wage bill.

Intellectual Property Rights

Romania is a party to the 1883 Paris Convention for the Protection of Industrial Property and has subscribed to all of its amendments.

Foreign investors are, therefore, entitled to the same treatment as Romanian citizens. A new Patent Law was adopted to broaden and clarify the basis on which the patent is granted. The patent validity has been extended to 20 years. Romania has also concluded a number of bilateral agreements for protecting industrial property, including with the United Kingdom.

Enquiries relating to these issues should be addressed to:

State Office for the Protection of Inventions and Trade Marks

5 Ion Ghica Str.
Sector 3
704181 Bucharest
Tel: 00 4021 315 1966
Fax: 00 4021 312 3819
URL: www.osim.ro
Email: office@osim.ro

Business etiquette, language and culture

Meetings and Presentations

Though English is widely spoken, particularly in Bucharest, it is nevertheless always worth confirming whether or not your contact is comfortable with conducting a meeting in English. Your client will often bring someone into the meeting to translate even though they may themselves speak good English. This is partly due to comfort but also a desire to be accurate. It is also not uncommon, particularly when dealing with the public sector, to have a meeting with a wide range of people – even if you are expecting a one on one. It is important to reconfirm a meeting a couple of days before. If you need to schedule appointments, particularly at a senior level with Ministries, an official letter is a must. It is always important to be prompt for meetings. Due to the traffic congestion, particularly in Bucharest, it is not uncommon for guests/clients to arrive early.

Negotiations

To avoid frustration and duplication, and save time, it is important to identify the decision makers in any organisation. Junior staff are rarely empowered to make decisions so it is far better to negotiate with the decision makers. Communication is extremely important so it is always worthwhile having a Romanian speaker present. And always follow up, in writing, so there can be no misunderstanding on what, or wasn't, agreed.

Clothing

Clothing as worn in Britain for the appropriate season is suitable for both women and men. Similar standards apply also to business dress. However, winters and summers are generally more extreme than in the UK so appropriate measures should be taken.

Social Customs

Western business etiquette is followed. Appointments should be made in advance and checked again before the respective date. Appointments with public officials can be sometimes difficult to make.

Romanians are very hospitable people. Business meetings tend to be warm and friendly; food and drink are often offered.

Correspondence and Trade Literature

In practice, English is the foreign trade language, but visitors should take into account that the level of English depends on the size of company and the region of the country.

Business correspondence in Romania tends to be very formal, and a personal approach is more efficient. It is essential, therefore, to establish personal contacts and visit the market regularly if long-term business is to be established.

It is useful to have good trade literature and be able to explain the uses and qualities of the products. Local agents can help with translation, if required.

Hours of business

Government Offices

08.00/08.30-16.00/16.30.

Private businesses, including banks, have a longer working day.

Shops

08.30-16.00 Monday to Friday.09.00-14.00 Saturday.

Many supermarkets and other shops are open on Sundays. A few convenience-type shops are open 24 hours.

British Embassy

08.30-17.00 Monday to Thursday. 08.30-16.00 Friday.

A list of **Public Holidays** is available on the [UK in Romania](#) site.

Language

Romanian, unlike its neighbours, is a Latin based language. English is widely spoken in Romania, particularly amongst the younger generation. Other key languages are French (older generation) and German (Central Romania).

What are the challenges?

Romania faces similar challenges that are being experienced elsewhere, namely stricter access to lending and financing; greater dependence on other key economies emerging from recession; a need for sustainable exports; improved absorption of EU Funding (between 2007-09 Romania only absorbed 10% of available funding).

Local challenges include more hesitation by Romanian companies to take on additional business; more pressure on Romanian Government to increase layers of taxation (often through emergency ordinance); reduction in public spending (leading to less public procurement); and further issues concerning delayed payments for public sector contracts. The increasing poor state of Romania's infrastructure hinders Romania's ability to attract inward investment (in some areas). Increasing bureaucracy, lack of transparency, inconsistency within the justice system and forms of corruption remain within Romania though they are areas which the Government has set as a priority to eradicate.

Getting Paid - Terms of Payment

All the usual terms of payment and insurance of payments can be used, such as bank transfers, letters of credit, documentary collection of payments, cheques, bills of exchange, contract and bank guarantees.

Romania is well integrated in terms of payment infrastructure. Over 70% of Romanian trade is with the European Union member states and a similar percentage of payments are made in Euros. Following the lead of the major international banks, Romanian banks are implementing the single euro payments area (SEPA) standards for euro payments, an electronic clearing system is in place for cheques and promissory notes and e-invoicing implementation has reached the final stages.

The payment terms for commercial contracts depend on the sector of activity and the specifics of each contract; they are decided by negotiation between parts and vary from 15-45 days to up to 180 days.

How to invest in Romania

With a population of nearly 23 million Romania is, after Poland, a significant market in its own right. When taking a wider perspective and factoring in Romania's borders you have an economy of scale of over 100 million. Since EU accession, there has been growing interest from UK business in Romania, which has not diminished despite the onset of the economic crisis. Major factors include: access to over € 30bn in European funding, the potential offered by the second largest market in the CEE region after Poland, a skilled work force, strategic geographic positioning. The increasing availability of low cost flights also helped support this trend.

Over €4 billion of investment and more than 4000 UK companies place the UK as Romania's 10th largest inward investor. Bilateral trade accounted for over €1.6bn in 2009.

The British Embassy in Bucharest represents British business interests through initiatives such as regional visits, in both the UK and Romania, aimed at identifying business opportunities and helping to find potential investors/trade partners; hosting trade missions to Romania; encouraging partnerships between regions and cities in the UK and Romania and working with the British Romanian Chamber of Commerce, and through its own British Business Group, which supports present and future investors in Romania. A high number of British companies benefit yearly from UKTI services in Romania and long term partnerships between Romanian and UK companies are regularly generated through the team's initiatives.

Setting Up in Business - What is the Best Way of Setting Up?

Much will depend on the nature of your business e.g. trading, manufacturing or representative, and whether you are aiming at the domestic or the export market. Setting up a representative office is straightforward, but activities are limited to marketing and auxiliary services on behalf of the parent company.

Other permitted business presences are limited liability joint stock companies, branch offices and joint venture partnerships. It is often useful to have a local partner to deal with local bureaucracy. A number of firms, including Regus, offer instant offices complete with full support facilities, to newly-arrived companies. There are many property companies and services available

Purpose-built to Western standards office accommodation is at a premium, although increasingly more good standard offices (often completely refurbished) are becoming available.

Local representation

For those entering the Romanian market for the first time, appointing a local representative is the most sensible initial approach. Selection of a potential distributor/agent can be facilitated through a service commissioned from the British Embassy. If an agency agreement is to be signed, a competent local lawyer should be consulted. The British Embassy's Trade & Investment Section (Tel: 00 4021 201 7200) can provide details.

Is Finance Available for a Start-up Operation?

There are a plethora of banks in Romania (most of which are foreign owned). In fact over 40 different banks operate here, including RBS, Citi Bank, BRD and ING. There are also several investment funds present as well as the European Bank for Reconstruction and Development and the European Investment Bank. The 'Big Five' accountancy firms are strongly represented.

Interest rates, depending on currency or type of loan, vary.

There are incentives available to foreign investors, including delay in paying VAT after start up.

Contacts

If you have a specific export enquiry about the Romanian market which is not answered by the information on this report, you may contact:

UK Trade & Investment Enquiry Service

Tel: +44 (0)20 7215 8000

Fax: +44 (0)141 228 3693

Email: enquiries@ukti.gsi.gov.uk

You will be signposted to the appropriate section on our website or transferred **at local call rate** to the British Embassy in Bucharest

If you prefer to contact the team in Bucharest direct, contact:

UK Trade & Investment Romania

British Embassy in Bucharest

Strada Jules Michelet 24,

010463 Bucharest

Romania

Tel: 00 40 21 201 7200

Fax: 00 40 21 201 7311

Email address:

Commercial.Bucharest@fco.gov.uk

Resources/Useful Links

Country Information:

BBC Website

http://news.bbc.co.uk/1/hi/country_profiles/default.stm

FCO Country Profile

<http://www.fco.gov.uk/en/travel-and-living-abroad/travel-advice-by-country/country-profile/>

EU Points of Single contact

http://ec.europa.eu/internal_market/eu-go/index_en.htm

Culture and communications

CILT – National Centre for Languages - Regional Language Network in your area:

http://www.cilt.org.uk/workplace/employer_support/in_your_area.aspx

Culture and communications

CILT – National Centre for Languages - Regional Language Network in your area:

http://www.cilt.org.uk/workplace/employer_support/in_your_area.aspx

Kwintessential culture guides:

<http://www.kwintessential.co.uk>

Customs & Regulations

HM Revenue & Customs:

www.hmrc.gov.uk

Import controls and documentation (SITPRO):

<http://www.sitpro.org.uk>

Economic Information:

Economist

<http://www.economist.com/countries/>

Export Control

Export Control Organisation:

<http://www.businesslink.gov.uk/exportcontrol>

Export Finance and Insurance:

ECGD

<http://www.ecgd.gov.uk/>

Intellectual Property

Intellectual Property Office:

www.ipo.gov.uk

Market Access

Market Access Database for Tariffs (for non-EU markets only):

<http://mkaccdb.eu.int/mkaccdb2/indexPubli.htm>

SOLVIT – Overcoming Trade Barriers (EU Markets only)

www.bis.gov.uk/EUMarketAccessUnit

Standard and Technical Regulations:

British Standards Institution (BSI):

<http://www.bsigroup.com/en/sectorsandservices/Disciplines/ImportExport/>

National Physical Laboratory:

<http://www.npl.co.uk/>

Intellectual Property:

<http://www.ipo.gov.uk/>

Trade Statistics

National Statistics Information:

<http://www.statistics.gov.uk/hub/index.html>

UK Trade Info:

<https://www.uktradeinfo.co.uk/>

Travel Advice

FCO Travel:

<http://www.fco.gov.uk/en/travel-and-living-abroad/>

NHS:

<http://www.nhs.uk/nhsengland/Healthcareabroad/>

Travel health:

<http://www.travelhealth.co.uk/>

Business Link: International Trade

Business Link's International Trade pages provide an overview of export basics including licensing, customs procedures, classifying and movement of goods, other regulatory information and export paperwork issues. It also introduces exporters to the UK Trade Tariff.

Essential reading for exporters!

Find out more at:

<http://www.businesslink.gov.uk/bdotg/action/layer?r.s=tl&r.lc=en&topicId=1079717544>

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