

TRADE AND INVESTMENT OPPORTUNITIES IN ROMANIA

H1 2018



Romania is the most dynamic economy in Europe and a gateway to both the EU and Eastern European markets.

KEY SECTORS OF POTENTIAL OPPORTUNITY FOR EXPORT AND INVESTMENT TO ROMANIA, FOR SOURCING PRODUCTION AND FOR RELOCATION OF OPERATIONS:

- 1. Automotive: OEMs, Components Manufacturing, Imports**
 - 2. Energy Efficiency and Smart Metering**
 - 3. Residential Constructions: Materials, Equipment, Main importer-distributors, Imports**
 - 4. Agriculture and Agro-technology: Crops, Irrigation, Imports, Developments**
 - 5. Furniture, Home Decor, DIY: Imports, New Stores, Market**
 - 6. IT, BPO and Outsourcing: Main players in the market, New entries**
 - 7. Food and Beverages: Processing, Retail, Imports**
 - 8. Industrial Manufacturing and Precision Tools: Output, Imports, Main importers**
 - 9. Healthcare Services and Medical Devices: Expansion, Imports, Main distributors**
 - 10. Plastic Foil and Packaging, Labelling: Production, Market demand**
- New Crossborder M&A and Foreign Investments: Examples**



This opportunity report is produced by **FRD Center Market Entry Services** – www.frdcenter.ro - one of the pioneer privately owned market entry consulting firms in Romania. Since 2000, FRD Center offers tailor-made market intelligence, B2B matchmaking and market access consulting services to foreign organisations interested to enter the emerging markets in Europe as exporters, consultants, investors or joint-ventures, to relocate their operations, or to source in CE, SE and Eastern Europe.

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- identification and qualification of B2B distributors, importers, suppliers etc.
- product presentation and assessment of interest from clients / partners
- pre-M&A business support and research, deal origination, M&A assistance
- identification of market opportunities: exports, sourcing, B2B sales etc.
- trade missions, business itineraries, inward buyer missions

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Sources consulted for this report: business mass media, the companies, official sources

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GENERAL DATA - in 2017 compared to 2016:

- 7% growth of the GDP
- 12.2% growth of the CIF imports in Romania
- 10.7% growth of Retail turnover volume
- 6.8% growth of the Retail sales of food, beverages and tobacco
- 69.7% growth of the Volume of residential construction works
- 8.2% growth of the Industrial production
- 15% growth of the Romanian M&A market, according to an analysis by Deloitte Romania
- 1.5% growth of the Foreign Direct Investment (FDI) in Romania (4,586 mEUR)

1. Automotive Sector

OEMs, Components Manufacturing, Imports

a) Sector brief

According to estimations made by FRD Center based on companies' data, the production of auto vehicles in Romania has recorded 363,654 units in 2017, up by 1.2% compared to 2016.

Automobile Dacia, acquired by the Renault Group in 1999, is the main producer of auto vehicles in Romania. Dacia produces in its plant in Arges county (Southern Romania) the following models of auto vehicles: Logan, Logan MCV, Logan MCV Stepway, Sandero, Sandero Stepway, Duster, Lodgy, Lodgy Stepway, Dokker, Dokker VAN. Dacia has produced 313,883 auto vehicles in 2017, a decrease of 2% compared to 2016.

The sales of Automobile Dacia on the Romanian and international markets have reached 655,235 units in 2017, a **12.2% increase** compared to 2016. With 43,262 cars sold in Romania in 2017 (+11.3% vs. 2016), Dacia is the leader of the Romanian market. Dacia Logan is the most popular Dacia model in Romania.

Ford has a plant in Craiova (SW Romania) acquired in 2008. The Ford production in Craiova (B-Max and EcoSport models) has recorded 49,771 units in 2017, **up by 28.1%** compared to 2016.



2018 looks like a very good year for the Romanian automotive manufacturing industry. More than 11,000 Ford Ecosport SUVs have been produced in Romania in January 2018. If Ford keeps this production pace by the end of the year, at least 130,000 cars worth 2 bnEUR will be produced by the US manufacturer in Romania in 2018. At present, Ford Romania manufactures approximately 600 Ecosport SUVs per day, which adds up to around 12,000 units per month.

In total, the two automotive OEMs operating in Romania - Dacia and Ford - could reach 500,000 cars assembled in 2018, out of which 360,000 could be produced by Dacia Renault and 140,000 by Ford Romania.

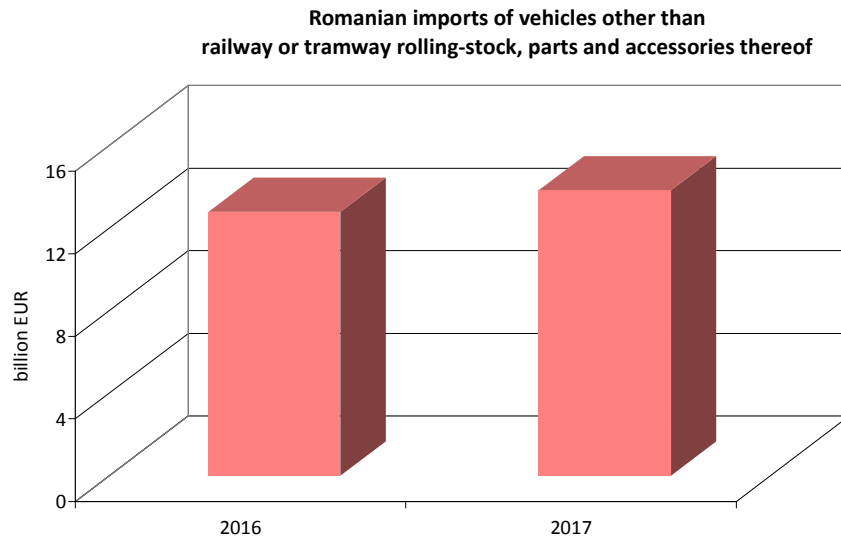
The manufacturing of the automotive components is a dynamic sector in Romania, benefitting from ongoing foreign investments, an educated and productive labour force and a long tradition of industrial manufacturing,

metal working and casting.

Romania is an attractive market for the foreign manufacturers of auto components. The domestic market of auto components is dominated by big foreign companies that have manufacturing facilities in Romania, such as: Continental, Michelin, Autoliv, Takata, Schaeffler, Johnson Controls, Pirelli, Delphi, TRW Automotive, Leoni, Draxlmaier, Yazaki, Daimler etc.

The key foreign manufacturers of automotive components have been attracted in Romania by the investments made by the domestic manufacturers of auto vehicles Automobile Dacia and Ford Romania.

In respect to the automotive market in Romania, according to the FRD Center analysis based on the Eurostat data, the imports of vehicles other than railway or tramway rolling-stock, parts and accessories thereof have reached 13.8 bnEUR in Romania in 2017, **up by 8.2%** compared to 2016.



Source: Eurostat, FRD Center

Fairs:

- **Bucharest International Auto Show – SIAB** (www.siab.ro) is the main automotive event organised in Romania. SIAB 2018 has taken place during 23 March – 01 April 2018 at Romexpo Exhibition Centre in Bucharest.
- **Bucharest Auto Show & Accessories Fair - SAB** (www.sab.ro) is the reference event in Romanian automotive market, showcasing the latest novelties and premieres in auto & accessories industry and organized with the support of The Association of Automotive Manufacturers of Romania (ACAROM). In 2018, it takes place between 10-13 May.

More details in the FRD Center business blog postings at:

<http://market-entry-romania.blogspot.ro/2018/02/auto-vehicle-production-in-ce-and-se.html>

<http://market-entry-romania.blogspot.ro/2018/03/automotive-oems-in-romania-new-records.html>

b) Opportunities: CROSSBORDER ACQUISITIONS OF LOCAL PLAYERS, TECHNOLOGY EXPORT, KNOW-HOW, EQUIPMENT, FACILITIES, PRECISION TOOLS AND MACHINERY, QUALITY CONTROL, GREENFIELD INVESTMENT



2. Energy Efficiency and Smart Metering

a) Sector brief

The electricity market in Romania has approximately 9 million customers, out of which around 8.5 million of residential customers (households). The gas market in Romania

The Smart Metering Industry in Romania is currently in a pilot stage, with the majority of the projects focusing on the Electricity Distribution sector. In the recent years, Romania has seen an accelerated uptake in the digitalisation of energy process and installation of smart metering.

has approximately 3 million customers and the heat market has around 1.6 million customers.

In order to comply with the EU regulations and recommendations, the Romanian Energy Regulatory Authority (ANRE) has launched in 2013 the process of smart metering systems implementation in the electric power distribution sector.

Approximately 270,000 consumers in Romania have been integrated in the electricity smart metering system in 2015 and 2016 through pilot projects approved by ANRE.

According to the ANRE national plan, at least 30% of the consumers in Romania are expected to have electricity smart meters installed by the end of the stage 1 in 2020. By the end of the stage 2 in 2026, 100% of the Romanian consumers are expected to have electricity smart meters installed.

According to an FRD Center analysis, the local producers of smart meters are:

- AEM
- Elster Rometrics
- Electromagnetica

Some of the imported brands of smart meters available in Romania include:

- Iskra – imported and installed by Development Consulting Business SRL
- Itron – imported and installed by Elsaco Electronic SRL
- Powercom – imported and installed by Efficient Power Technologies SRL
- Apator – imported and distributed by Calor SRL, Black Sea Suppliers SRL, Arena Instalatiilor SRL, Creativ Tools SRL, Prodimar Instalatii SRL
- ista - imported and installed by ista Romania SRL



At present, the local producer AEM has a market share of 60 - 65% of the smart meters installed in Romania

The major power companies operating on the Romanian market have ambitious investment plans in the smart metering sectors for the next years:

- Enel has a strategy on medium term to install electricity smart meters to all its 2.8 million clients in Romania.
- E.ON plans to install around 600,000 electricity smart meters by 2020. The supplier has launched in 2017 the E.ON Easy Life solution, a customized solution that includes the installation of smart devices in homes that allow remote control, enabling the optimization of the energy costs through "Smart Home" technology.
- CEZ has an investment and development programme that includes the installing of over 400,000 electricity smart meters during 2016 – 2020.

The Large Infrastructure Operational Programme (LIOP) 2014 – 2020, through the Priority Axis 6 (Promoting clean energy and energy efficiency aiming at supporting a low carbon economy) finances installation of smart meters in homes in Romania.

Fairs:

- **Expoenergie** (www.eee-expo.ro) is an international trade fair for renewable energy, conventional energy, equipment and technologies for the oil and natural gas industry. The 8th edition of the event has taken place in Bucharest during 8 - 11 March 2018, at the Romexpo Exhibition Centre.

- **Romenvirotec** (www.romenvirotec.ro) is an international trade fair for technology and environmental protection equipment. The 2018 edition has taken place during 8 - 11 March 2018, at the Romexpo Exhibition Centre in Bucharest.

More details in the FRD Center business blog posting at:

<http://market-entry-romania.blogspot.ro/2018/02/digitalisation-of-energy-systems-in.html>



The FRD Center analysis on the **Romanian Smart Grid and Smart Metering** is posted and available for download at:

<http://www.frdcenter.ro/assets/Romanian-Smart-Metering-Sector-2017-DEMO-by-FRD-Center.pdf>

b) Opportunities: CROSSBORDER ACQUISITIONS, MODERN TECHNOLOGY, EXPORTS OF EQUIPMENT, TOOLS, SERVICES, FACILITIES, QUALITY CONTROL, BRANDS, EU FUNDING

3. Residential Constructions

Materials, Equipment, Main importer-distributors, Imports

a) Sector brief

The volume of the residential construction works in Romania has **increased by 69.7%** in 2017 compared to the 2016.

According to the National Institute of Statistics, 41,603 construction permits have been released for residential buildings in 2017 in Romania, up by 7.6% compared to 2016. The growth has been reflected in the following development regions:

North-East (+851 permits), Bucharest-Ilfov (+799), Centre (+456), West (+350), South-East (+286), South-West Oltenia (+258) and South-Muntenia (+137). A decrease has been reported in the North-West region (-187 permits).

The building materials market in Romania grows supported by the local demand of insulation, mortars, bricks, tiles, fixtures, paints, cement etc. generated by local producers and also imported.

The Romanian market of expanded polystyrene (EPS) has **recorded a 9% increase** in the first six months of 2017 compared with the same period in 2016, according to estimates of the Romanian Polystyrene Manufacturers Association (ROMEPS). The optimal evolution was due, on the one hand, to the maintenance of the slight development trend of the thermal insulation industry and, on the other hand, to the increase of the quality level of the materials used on the domestic market, according to the recommendations for external insulation.



There are around 35 - 40 polystyrene producers in Romania, with a total estimated EPS production capacity of 3.5 - 4 million cubic meters per year. In 2016, approximately 3.5 million cubic meters of polystyrene have been produced and sold in Romania, with the sector valued at around 150 mEUR.

Some of the players operating on the Romanian polystyrene market include Arcon, Austrotherm, Hirsch Porozell, Swisspor, Congips, Firos, Masterplast, Mindo, Onebrand, Euroconf Impex, Mecatronics, Plastics Europe and Isopor.

At the end of 2016, the cumulative value of the local thermal insulation market has exceeded 200 mEUR, out of which the polystyrene sector has been around 150 mEUR, the mineral wool has been approximately 50 mEUR, the remaining value being generated by other product categories, such as graphite polystyrene, polyurethane foam etc.

The Romanian paints industry has been estimated at around 200 mEUR in 2016, according to the AIVR (Romanian Association of Paint Industry Association). There are approximately 170 local producers operating on the market, 100% owned by private investors and competing successfully with major international manufacturers represented by importer-distributors and commercial offices.

The Swiss manufacturer of chemical materials for building Sika, owns in Romania two production units: one for additives, with a capacity of 10,000 tonnes per year in Brasov (Central Romania) and one in Capusu Mare, Cluj county (NW Romania) where special mortars and adhesives for constructions are manufactured, with a capacity of around 50,000 tonnes per year. The company has announced plans to invest in the opening of the third plant, which will be built in the Southern area of Romania.

The sales of the polystyrene adhesives registered by the building materials producer Duraziv in the first eight months of 2017 compared to the same period in 2016, has increased by 10% according to company data. The weight of adhesives for polystyrene in Duraziv's total adhesives division has been quantitatively around 60% in the analysed range, while in terms of value their share has reached 52% of total sales.

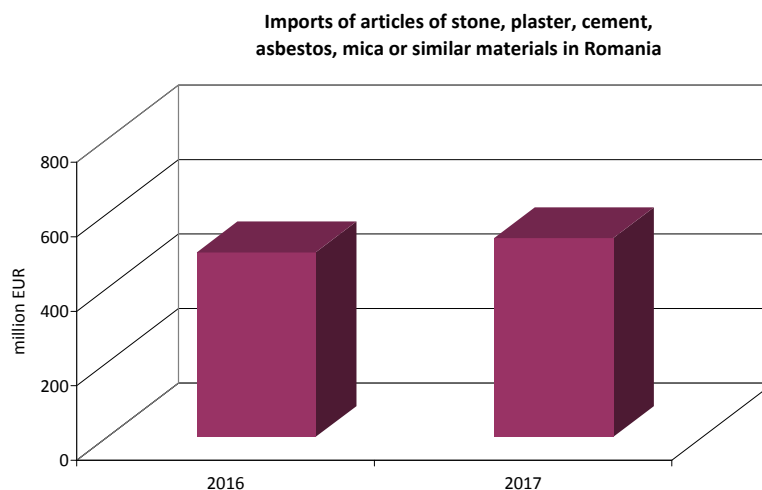


AdePlast, a main Romanian building materials manufacturer, has recorded a turnover **growth of 17%** in the first 9 months of 2017 compared to the same period of the previous year, 37% of which was due to polystyrene. In the first 9 months of 2017, AdePlast has managed to deliver more than 1,000,000 cubic meters of polystyrene, surpassing 87,000 cubic meters of production in the same period of the previous year.

Some examples of main importer-distributors of construction equipment in Romania are:

- Genco '93
- IRCAT-CO
- Marcom RMC'94
- Powertek
- RET Utilaje
- Ascendum Machinery
- Costa Utilaje
- Terra Romania
- Utilben

According to the FRD Center analysis based on the Eurostat data, the imports of articles of stone, plaster, cement, asbestos, mica or similar materials in Romania have recorded 533.6 mEUR in 2017, **up by 7.6%** compared to 2016.



Source: Eurostat, FRD Center



Fair:

- **Construct Expo** (www.constructexpo.ro) is an international fair of construction technologies, equipment and materials. The 25th edition of the event has taken place during 08 – 11 March 2018 at the Romexpo Exhibition Centre in Bucharest.

More details in the FRD Center business blog postings at:

<http://market-entry-romania.blogspot.ro/2018/01/what-are-opportunities-on-romanian.html>

<http://market-entry-romania.blogspot.ro/2017/11/building-materials-market-in-romania.html>

b) Opportunities: EXPORTS OF BUILDING MATERIALS, FINISHES, FIXTURES, DIY, MODERN TECHNOLOGY, EQUIPMENT AND MACHINERY, TOOLS, FACILITIES, QUALITY CONTROL, KNOW-HOW, SERVICES, INVESTMENTS

4. Agriculture and Agro-technology

Crops, Irrigation, Imports, Developments

a) Sector brief

Romania has an agricultural area of approximately 14.7 million hectares, out of which around 10 million hectares are used as arable land. The soil is fertile and the climate is favorable for agriculture, animal husbandry, vegetable growing, fruit and horticulture.

According to the National Institute of Statistics, in spite of the fact that the area cultivated with cereal grains in Romania has decreased by 6.9% in 2017 compared to 2016, the production has grown by 12.4% in 2017 compared to the previous year, reaching 24.46 million tonnes of cereal grains, mainly due to the increase of the average production per hectare.

The Romanian agriculture has registered record crops and agricultural outputs in 2017.

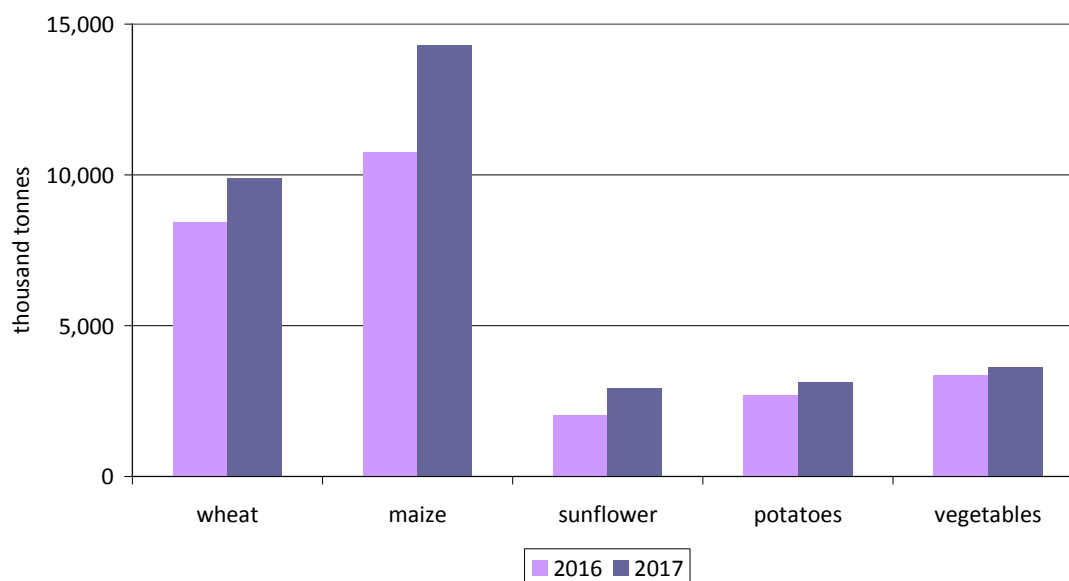
The sunflower output in Romania has increased by 43.4% in 2017 compared to 2016, reaching 2.91 million tonnes, the highest in the EU.

The maize production in Romania has



increased by 33.3% in 2017 compared to 2016, reaching 14.32 million tonnes, while the wheat output has been **17.2% higher**, reaching 9.87 million tonnes.

Agricultural crop production in Romania



Source: National Institute of Statistics, FRD Center

In 2017 compared to 2016, the soya production in Romania has increased by 38.8% while the rape output has **grown by 29.3%** reaching 1.67 million tonnes.

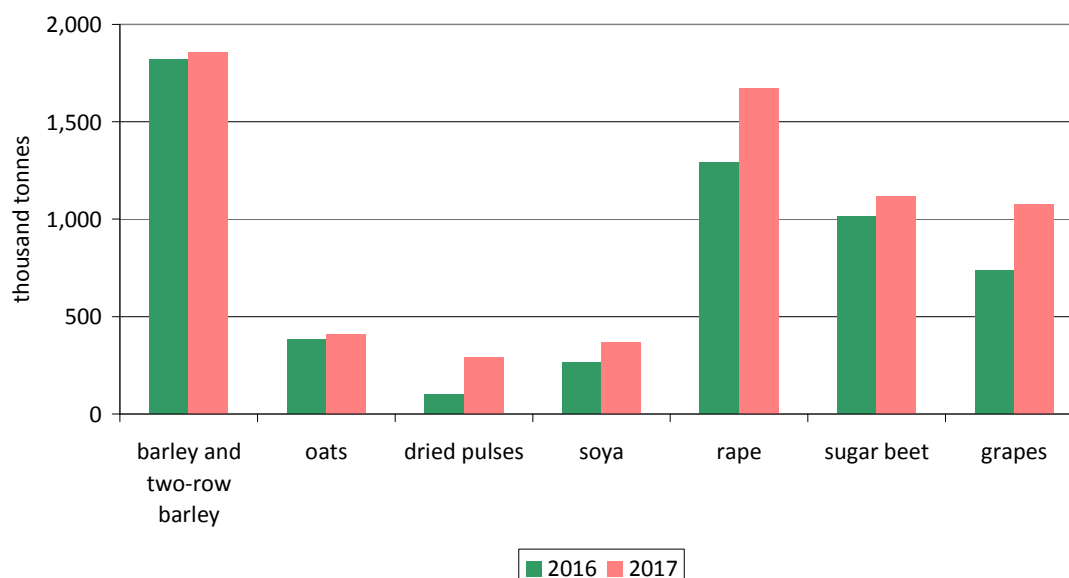
The Romanian oats production was **up by 7.1%** in 2017 compared to the previous year, while the production of barley and two-row barley has increased by 2.2%.

In 2017 vs. 2016, the production of dried pulses in Romania **has nearly tripled** to 291,000 tonnes as a result of both larger cultivated area and higher yield per hectare.

In 2017, Romania has harvested 1.11 million tonnes of sugar beet, **up by 10.2%** compared to 2016.

The vegetables production in Romania has **increased by 8.1%** in 2017 compared to 2016, reaching 3.63 million tonnes, although the cultivated area has decreased by 1.8%.

Agricultural crop production in Romania



Source: National Institute of Statistics, FRD Center

The Romanian National Program for the rehabilitation of the main irrigation infrastructure 2017-2020 aims at an investment of over 1 bnEUR. Being divided into three stages, the program aims to create 86 irrigation facilities on a total area of over 2 million hectares of agricultural land in Romania.

The Romanian landowners who organise themselves and set up Water Users Federations can access up to

1mEUR non-reimbursable funds from the EU through the Irrigation Subsidiary Rehabilitation Program, Measure 4.3 of NRDP 2014 – 2020.

The irrigation systems are a key element in the Romanian agriculture. In 2018, the Romanian officials are putting forward programs to assist with the modernization of state-owned irrigation systems and also to encourage farmers to organize Water Users Federations and thus be able to access European funds to create their own irrigation systems. According to them, 1.3 million hectares will soon benefit from irrigation systems in Romania.

According to the FRD Center analysis based on official statistic data published by Comtrade, the Romanian imports of agricultural, horticultural or forestry machinery for



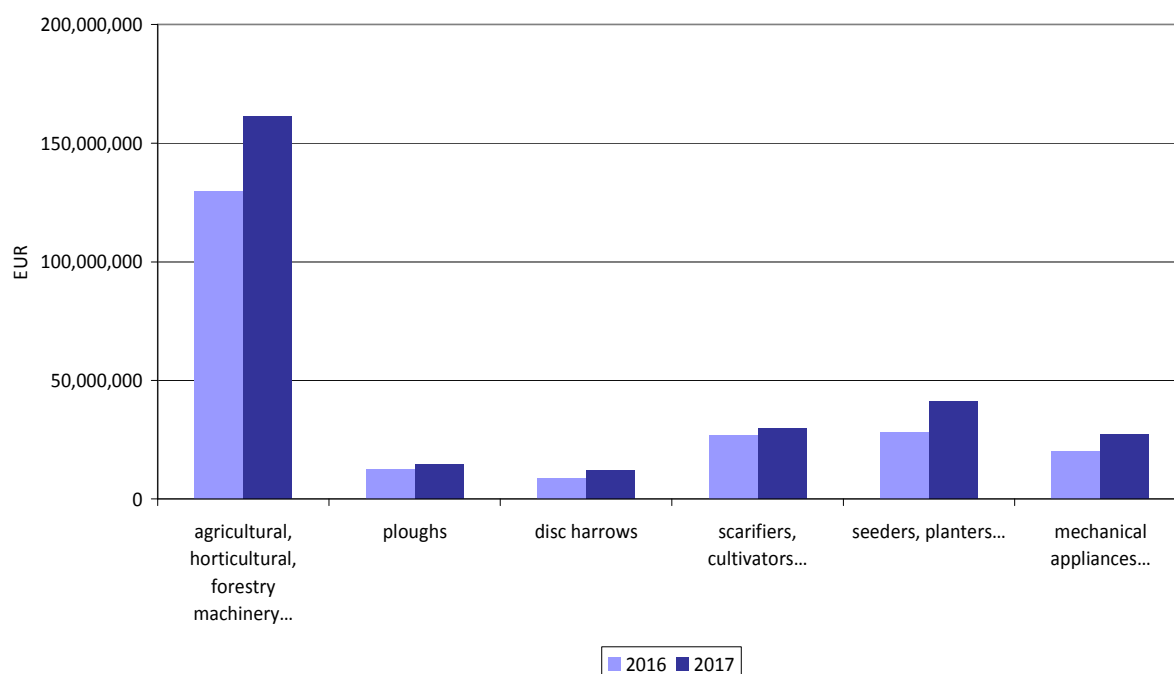
soil preparation or cultivation, lawn or sports-ground rollers have recorded approximately 161 mEUR in 2017, **up by 24%** compared to 2016.

In 2017 compared to 2016, the imports of ploughs in Romania have **increased by 18%**, while the imports of disc harrows have **grown by 40%**.

Furthermore, the imports of scarifiers, cultivators, harrows, rotovators and others in Romania have **increased by 11%** in 2017 compared to 2016, while the Romanian imports of seeders, planters and transplanters have recorded a y-t-y increase of 45% in 2017.

The imports of mechanical appliances (whether or not hand-operated) for projecting, dispersing or spraying liquids or powders for agricultural or horticultural sectors have registered an **increase of 35%** in 2017 compared to 2016, reaching approximately 27 mEUR.

Imports of agricultural machinery in Romania



Source: Comtrade, FRD Center



The growth trend of the Romanian imports of agro-technology is expected to continue in the following years.

Fair:

- **Indagra** (www.indagra.ro) is an international trade fair of equipment and products in agriculture, horticulture, viticulture and animal husbandry sectors. Indagra is the biggest agricultural event organized in Romania. The 23rd edition of the event takes place during 31 October - 04 November 2018 at the Romexpo Exhibition Centre in Bucharest.

More details in the FRD Center business blog postings at:

<http://market-entry-romania.blogspot.ro/2018/03/romanian-agriculture-registers-record.html>

<http://market-entry-romania.blogspot.ro/2018/03/romanian-agriculture-potential.html>

<http://market-entry-romania.blogspot.ro/2018/04/romanian-agricultural-machinery-and.html>

The FRD Center analysis on the **Romanian Agricultural Machinery and Farm Equipment Market** is available for free download at:

<https://www.slideshare.net/JackieBP/frd-center-romanian-agricultural-equipment-and-farm-machinery-market-2018>

b) Opportunities: MODERN TECHNOLOGIES, CROSSBORDER ACQUISITIONS, KNOW-HOW, EXPORTS OF FARM EQUIPMENT, STORAGE FACILITIES, INVESTMENT, CHEMICALS, EU FINANCING, GREEN ENERGY

5. Furniture, Home Decor, DIY

Imports, New Stores, Market

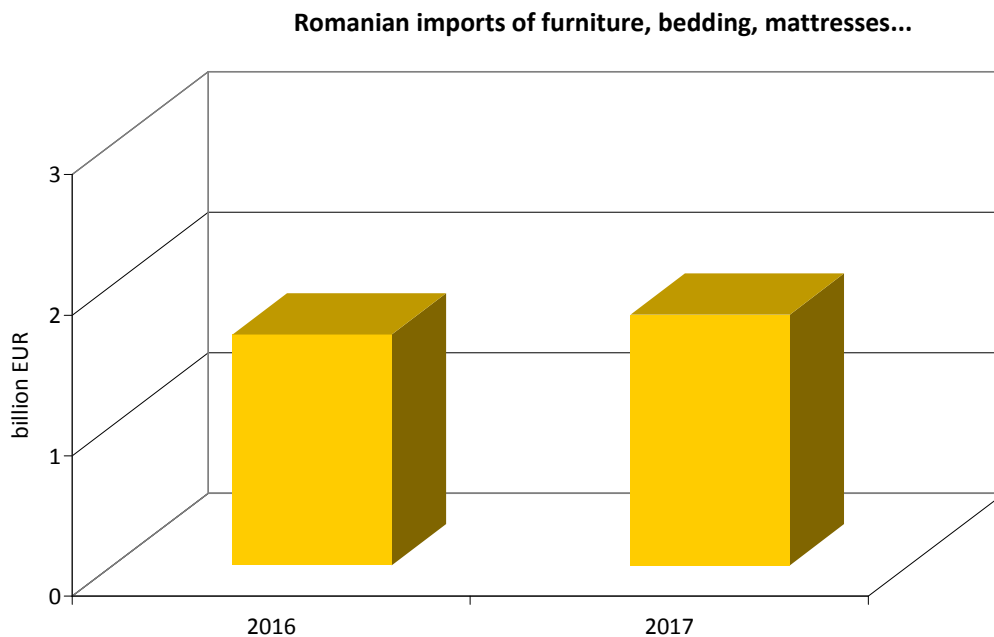
a) Sector brief

The Romanians' appetite for furniture and home decor is increasing, also backed by the **growth of the residential construction works of 69.7%** in 2017 compared to 2016.

In 2017, the Romanian sales of furniture and home decor **went up 12%** and the total value is estimated to have exceeded 1 bnEUR.

The DIY market in Romania is estimated at 2 – 3 bnEUR per year.

According to the FRD Center analysis based on Eurostat data, the imports of furniture, bedding, mattresses, mattress supports, cushions and similar stuffed furnishings, lamps and lighting fittings, illuminated signs, illuminated name-plates and the like and prefabricated buildings in Romania have recorded 1.78 bnEUR in 2017, **up by 8.5%** compared to 2016.



Source: Eurostat, FRD Center

To keep up with the local increasing demand of quality furniture and home decor, the Austrian retailer **kika** has opened its second store in Bucharest at the end of 2017. The investment in the new store amounted to over 14 mEUR and it covers an area of 12,000 sqm.

In 2018, **Ikea** aims to finalise an investment of 86 mEUR in order to open its second store in Romania. By 2025, Ikea has announced plans to open a total of 9 stores, to face



the local demand for furniture and home decor. In the period September 2016 - August 2017, the Ikea store in Romania opened in 2007 has recorded sales of RON 586,594,326 without VAT, **up by 14%** compared to September 2015 - August 2016. During September 2016 - August 2017, the Ikea store in Romania has been visited by 3,323,181 persons and has sold 18.3 million products, out of which the furniture has represented 23% and the accessories and decorations 77%.

JYSK has opened its first store in Romania in 2007. Currently counting 51 stores in Romania, JYSK has very ambitious plans to inaugurate 15 new stores in 2018 and increase its market share both in the category of sleeping products, as well as in the home decor and furniture products.

Various local furniture chains of stores and showrooms also have plans to expand in 2018 after registering double-digit sales growths in 2016 and 2017. Some of them are Elvila, Mobila Casa Rusu, Lem's, Mobexpert etc.

The main DIY players in Romania are: Dedeman, Hornbach, Brico Depot, Leroy

Merlin, Arabesque, Praktiker or Mr. Bricolage.

Dedeman is the leader of the Romanian DIY market. In the last years, the company has continued its expansion process by opening new stores. Currently, Dedeman has 48 stores and over 10,000 employees in Romania. Dedeman is controlled by two Romanian individuals.

Fairs:

- **BIFE-SIM** (www.bife-sim.ro) is a main international trade fair for furniture, equipment and accessories. The 27th edition of the event will take place during 12 - 16 September 2018 on a total area of 27,000 sqm at the Romexpo Exhibition Centre in Bucharest.
- **Ambient Expo** (www.ambient-expo.ro) is an international trade fair for products and systems for interior and outdoor decoration, furniture and swimming. The 2018 edition has taken place during 08 – 11 March 2018 at the Romexpo Exhibition Centre in Bucharest.
- **Mobila Expo** (www.mobila-expo.ro) is an exhibition dedicated to the general public, offering a wide variety of classical and modern house and office furniture, sofas, arm chairs and mattresses. The latest edition has taken place in Bucharest during 08 – 11 March 2018 at the Romexpo Exhibition Centre.



-- **Romhotel** (www.romhotel.ro) is an international exhibition for equipment, furniture and supplies for hotels and restaurants. The 2018 edition takes place between 19 and 21 April 2018 in Bucharest in the Romexpo Exhibition Centre.

More details in the FRD Center business blog posting at:

<http://market-entry-romania.blogspot.ro/2018/02/romanian-furniture-and-home-decor.html>

b) Opportunities: EXPORTS OF PRODUCTS AND BRANDS, SERVICES

6. IT, BPO and Outsourcing

Main players in the market, New entries

a) Sector brief

Romania is a recognised hub for BPO and SSCs in Europe, competing with global destinations such as India. Numerous foreign players are setting up their European operations in Romania which presents certain advantages compared to other locations. They are acquiring local independent players or setting up Greenfield operations.

The Romanian IT market is one of the most dynamic sectors in Europe, presenting numerous opportunities for foreign players interested to enter the region and set up operations in Europe.

The Romanian market of outsourcing and support services is estimated at over 1.5 bnEUR and employs approximately 120,000 people.

According to the Association of Business Service Leaders in Romania (ABSL), the average attrition rate in the business services sector in Romania is 17 - 23%. The jobs created in the business services sector in Romania have recorded a Compound Annual Growth Rate of 33% during 2013 - 2016.

The Romanian outsourcing market has recorded a significant growth in the recent years and currently is consolidating its position as one of the leading outsourcing sectors in Europe. The outsourcing sector in Romania is characterised by:



- availability of qualified resources
- language proficiency
- relatively low labour costs
- strong IT infrastructure

According to the FRD Center analysis, some of the main providers of BPO services in Romania are:

- Genpact
- Computer Generated Solutions (CGS)
- Accenture Services
- Webhelp
- Wipro Technologies
- WNS Global Services
- Comdata

According to the same analysis carried out by FRD Center, the main sectors serviced by the outsourcing companies operating in Romania are:

- banking, insurance, financial services
- technology and telecom
- industrial and consumer goods
- business and professional services
- consumer services (including media, retail, travel and leisure)
- energy, utilities and basis materials
- healthcare
- public sector
- others (transportation, logistics, pharmaceutical, gaming and betting, airport management, automotive, audit etc)

The M&A option is becoming the preferred option to entering the Romanian market mainly due to avoiding delays in starting the actual operations due to recruitment and setting up. Examples are:

- The global BPO player Telus International has acquired in 2012 CallPoint New Europe, a successful regional BPO provider with operations in the CEE region, including in Romania. CallPoint New Europe has been established in 2004.



- NTT DATA Corporation has acquired in 2013 the local company specialised in providing near-shore IT services for international customers EBS Romania. With Headquarters in Cluj Napoca (NW Romania), EBS has outsourcing experience in the segments of software engineering, software testing, quality assurance and application management and support.
- CGS has entered the Romanian market in 2006, through the acquisition of the local provider of call-center services EasyCall, in a transaction estimated at 8 mEUR.

The modernisation of the key economic sectors in Romania will continue to offer opportunities for providers in the IT sector in the banking, oil and gas, energy and telecommunications sectors.

More details in the FRD Center business blog posting at:

<http://market-entry-romania.blogspot.ro/2017/02/bpo-potential-in-romania-m-and-market.html>

The FRD Center presentation on the **BPO Sector in Romania** is available for free download at:

<http://www.frdcenter.ro/assets/BPO-Sector-Romania-FRD-Center-analysis.pdf>

b) Opportunities: M&A, CROSSBORDER PARTNERSHIPS, SERVICES, EXPERTISE, EMPLOYMENT, TECHNOLOGY EXPORT, TRAINING

7. Food and Beverages

Processing, Retail, Imports

a) Sector brief

The companies operating in the Romanian food and beverages industry, with production activities in Romania, have registered a turnover of 12.2 bnEUR in 2016, up 3% from 2015, according to Trade Registry data.

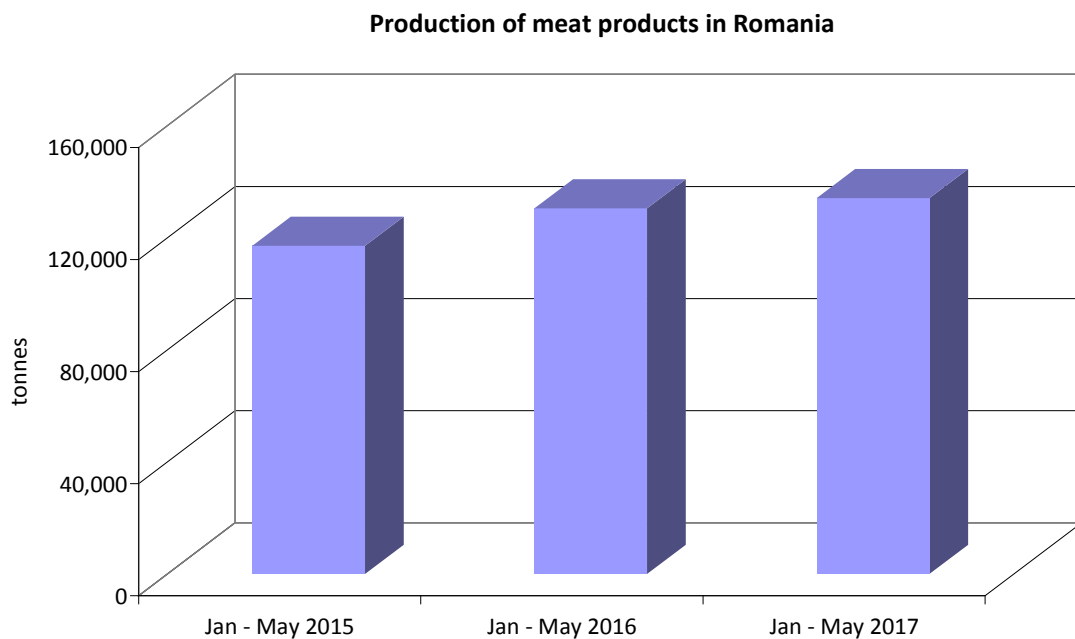


The output of Romanian meat processing sector is estimated at over 1.2 bnEUR. Over 90% of the urban population in Romania eats meat on a daily basis.

The meat processing sector in Romania is one of the most dynamic sectors for a variety of reasons, including:

- local market demand for meat and meat products
- availability of finance for investments and development, including non-reimbursable grants from EU funds
- increasing preference of the local consumers for the traditional recipes

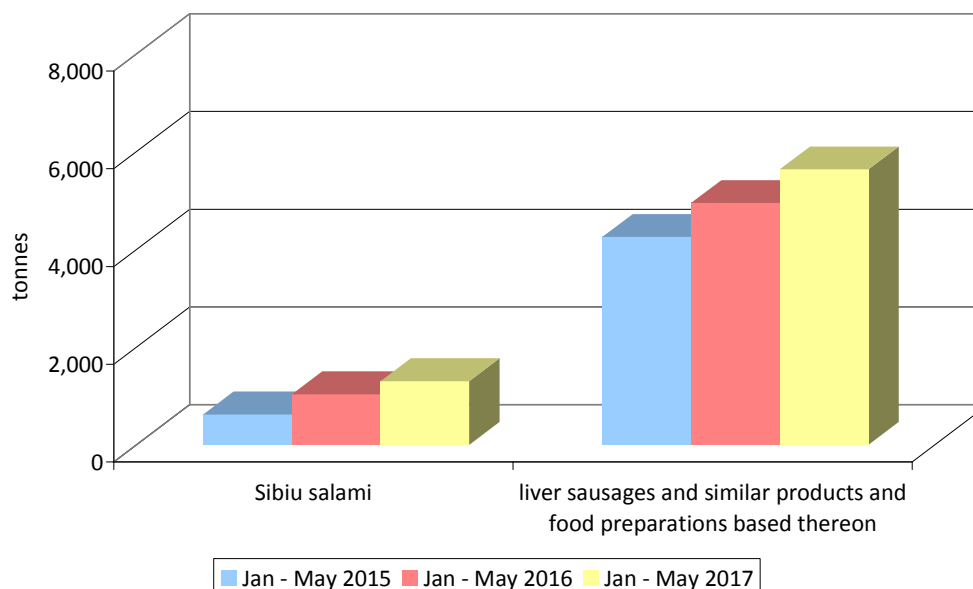
According to the FRD Center analysis, the production of meat products in Romania has registered over 134 thousand tones in the first five months of 2017, 3% more than in the same period of 2016.



Source: *Industria Carnii*, FRD Center

In the first five months of 2017 compared to the same period of 2016, the domestic production of the local raw-dry Romanian specialty salami called "Sibiu salami" has increased by 26% while the production of liver sausages and similar products and food preparations based thereon has registered a 14% growth.

Production of meat products in Romania, by category



Source: Industria Carnii, FRD Center

The Romanian meat processing sector is well represented, counting over 120 players in 2017. Most of the meat processors in Romania are registering increasing turnovers in the recent years. According to the FRD Center analysis based on official data, the cumulated turnover of the strongest twenty meat processing firms in Romania has been **6.3% higher** in 2016 compared to 2015, reaching over 1.4 bnEUR.

Some of the main meat processors in Romania are:

- Smithfield Prod
- Unicarm
- Transavia
- Aaylex Prod
- Caroli Food
- Agricola International
- Recunostinta Prodcom Impex (part of Cris-Tim Group)
- Elit
- Diana
- Avicola Buzau



- Carniprod
- Meda Prod 98
- Ana si Cornel
- Angst

Due to a busier professional life and increasing incomes, the Romanian consumers are increasingly prepared for ready-made food. The majority of supermarket chains offer ready-meals, both packaged and self-service.

Currently some 4 out of 10 Romanians eat ready-meals. According to some market players, the market value doubled in 2017 as compared to 2016.

The ready-meal sales recorded by Carrefour, which operates nearly 300 stores on the Romanian market, have increased by **more than 20%** over the past year.

According to a study by Nielsen, 53% of the Romanian market of ready meals is covered by menus and 47% by salads.

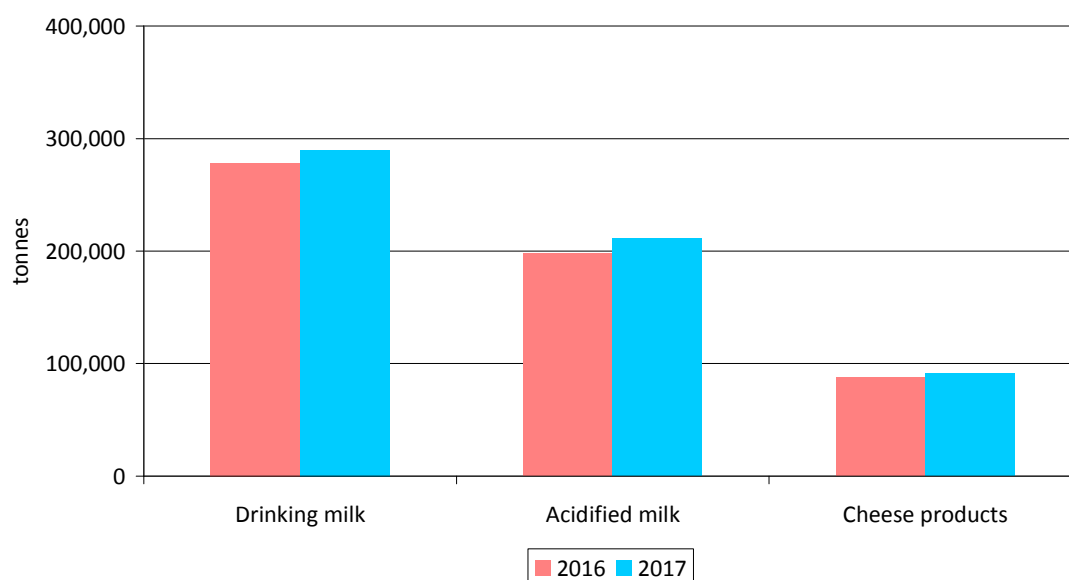
Some of the main players on the Romanian ready-meals market include:

- Cris-Tim
- Scandia Food
- Macromex
- Prefera Food
- Ka Plus
- Europrod/Agricola
- Good People
- Angst
- Corelli Group
- Eisberg Romania

According to the National Institute of Statistics, the production of cheese products in industrial facilities in Romania has recorded 90,904 tonnes in 2017, **up by 3.8%** compared to the previous year. Furthermore, in 2017 compared to 2016, the production

of acidified milk (yogurt, drinking yogurt, curd and other similar milk products) has **increased by 6.5%** while the production of drinking milk has **grown by 4.2%**.

Dairy production in industrial facilities in Romania



Source: National Institute of Statistics, FRD Center

Some of the main dairy processors in Romania are:

- Danone
- Albalact
- FrieslandCampina
- Fabrica de Lapte Brasov

According to Ro-Fish - the Romanian Association of Fish Processors, Importers, Distributors and Traders –the Romanian fish market is covered 82% from imports and only 18% from the domestic production of fish. The most sought-after fish species in Romania are marine, such as macro, sprat and cod, and also freshwater species, trout, carp and caraway.

During the last years, the fish processing industry in Romania has adapted the supply to the consumers' needs through a larger portfolio of products.

According to market players, around 75% of the fish and fish products market in Romania is covered by the processed fish products and 25% by the

fresh fish. The main processed fish products in Romania are roe, followed by marinated fish, smoked fish, fish in brine etc.



Some of the main fish processors in Romania are:

- Ocean Fish
- Negro 2000
- Pescado Grup
- Sabiko Impex
- Pestisorul de Aur
- Costiana
- Doripesco

According to the Brewers of Romania Association, the beer market in Romania has increased by 2% in volume in the first seven months of 2017 compared to the same period in 2016.

Over 97% of the beer consumed in Romania is domestically produced. Some of the main producers of beer in Romania are:

- Ursus Breweries
- Heineken Romania
- Bergenbier
- United Romanian Breweries
Bereprod (URBB)

The wine production in Romania is estimated at 5.3 million hectolitres in 2017, **up by 64%** compared to 2016.

The domestic wine producers cultivate both Romanian traditional and international varieties. The most used Romanian wine varieties are: Feteasca Regala, Feteasca Alba, Babeasca Neagra, Rosioara, Feteasca Neagra, Galbena de Odobesti, Grasa de Cotnari, Tamaioasa Romaneasca, Busuioaca de Bohotin, Negru de Dragasani, Ardeleanca, Basicata, Berbecel, Francusa, Rosioara, Zghihara de Husi, Sarba, Novac, Cramposie.

Some of the main wine producers in Romania are:

- Cotnari
- Cramele Recas
- Jidvei
- Cramele Halewood
- Vincon



- Tohani

According to the National Institute of Statistics, the retail sales of food, beverages and tobacco in Romania have **increased by 6.8%** as gross series in 2017 compared to 2016.

The international food retail chains operating in Romania are:

- Kaufland - part of Schwarz Group
- Carrefour - part of Carrefour Group
- Lidl - part of Schwartz Group
- Metro Cash & Carry - part of Metro Group
- Auchan - part of Auchan Group
- Mega Image - part of Ahold Delhaize Group
- Selgros - part of TransGourmet Group, controlled by COOP
- Penny Market - part of Rewe Group
- Profi – owned by Mid Europa Partners
- Cora - part of Louis Delhaize Group

The international retail chains present on the Romanian market expand at double-digit speed confirming the Romanian consumers' increasing demand and purchasing power.

The German Group Rewe, which owns the supermarket chain Penny Market, has invested approximately 170 mEUR in Romania in the last two years. The Penny Market network includes over 220 stores, out of which 20 stores have been opened in 2017.

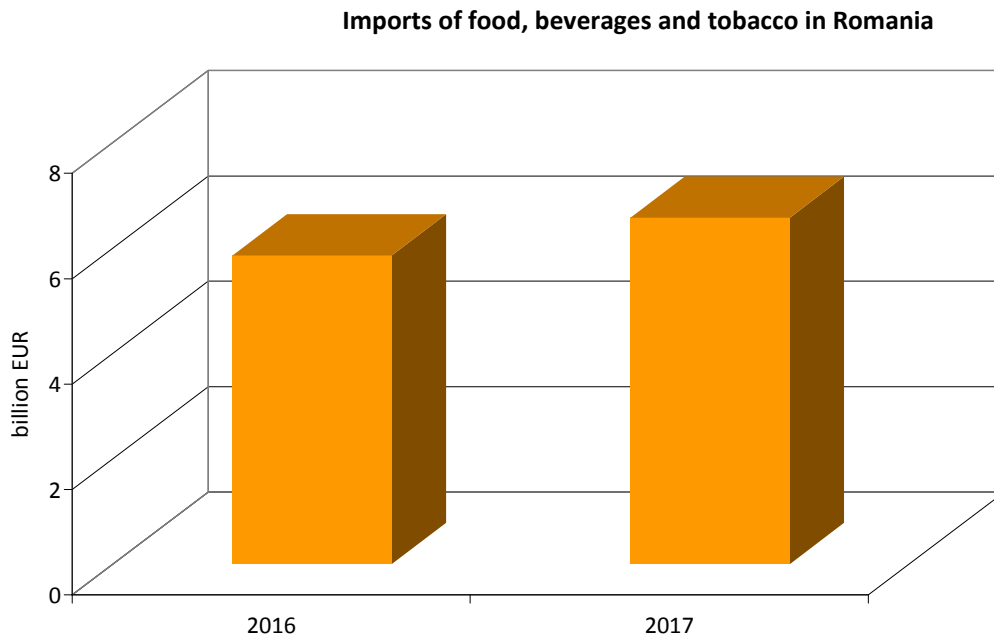
The Romanian food retail sector is characterised by strong price competition and price-sensitivity.

The private brand sector in Romania has significantly increased in the past years, all the major retailer networks having developed own food private brands.

For the next period, the Romanian food retail sector is expected to benefit from steadier economic growth and the consumer spending rising.



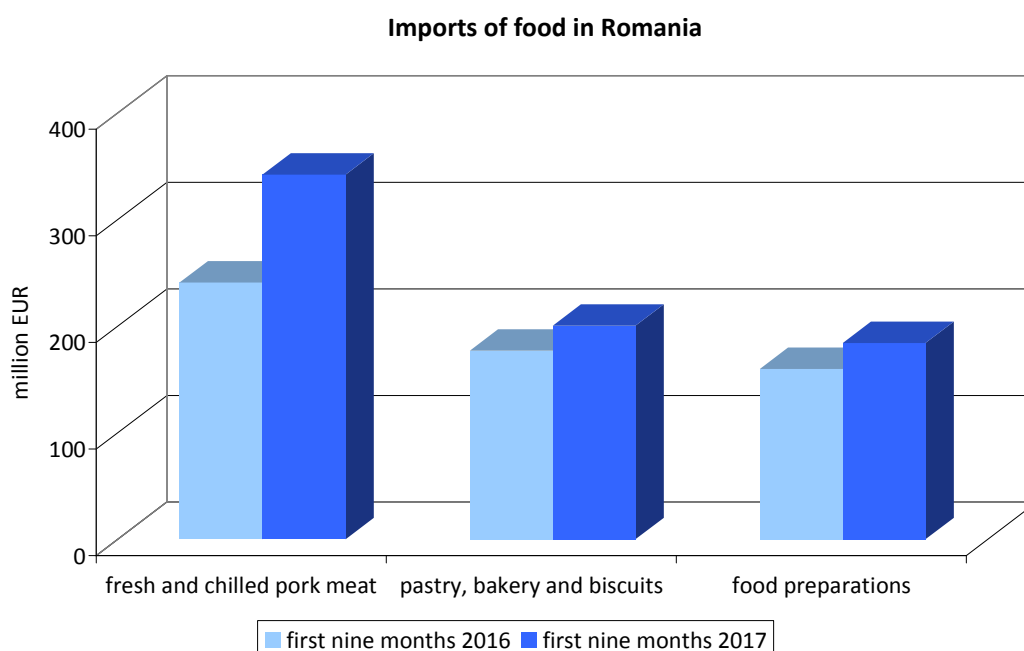
According to the FRD Center analysis based on official data, the imports of food, beverages and tobacco in Romania have **increased by 12.3%** in 2017 compared to 2016, reaching 6.58 bnEUR.



Source: National Institute of Statistics, FRD Center

According to the FRD Center research based on Eurostat official data, the imports of fresh and chilled pork meat have recorded 342 mEUR in the first nine months 2017, **up by 42%** compared to the similar period of the previous year.

Furthermore, in the first nine months 2017 compared to the same period of 2016, the Romanian imports of pastry, bakery and biscuits have **increased by 13%** and the imports of food preparations have recorded a **growth of 15%**.



Source: Eurostat, FRD Center

Fairs:

- International Trade Fair for Food Industry **Indagra Food** (www.indagra-food.ro) is the main food trade event organised in Romania. The 2018 edition takes place during 31 October - 04 November 2018 in the Romexpo Exhibition Centre in Bucharest.
- **Carnexpo** (www.carnexpo.ro) is the largest meat industry exhibition in South-Eastern Europe. Carnexpo 2017 has taken place during 25 - 29 October 2017 at the Romexpo Exhibition Centre in Bucharest.
- **Agraria** (ww.agraria.info.ro) is an International Trade Fair for Agriculture, Food Industry and Animal Husbandry organised in Jucu, Cluj county (NE Romania). The 24th edition of the event takes place during 19 – 22 April 2018.
- **GastroPan** (www.gastropan.ro) is an international exhibition showcasing equipment, ingredients, tools, solutions and technologies for bakery, confectionery, ice cream, chocolate, coffee and food service markets. The 10th edition of the event takes place during 19 - 22 April 2018 in Targu Mures (Centre Romania).
- **Expo Drink & Wine** (www.expodrink.ro) is a trade show of wines, alcoholic and non-alcoholic beverages. The 21st edition of the event takes place during 31 October - 04 November 2018 in Bucharest in the Romexpo Exhibition Centre.



More details in the FRD Center business blog postings at:

<http://market-entry-romania.blogspot.ro/2018/01/m-opportunities-in-meat-processing.html>

<http://market-entry-romania.blogspot.ro/2018/01/are-you-interested-to-export-fish-and.html>

<http://market-entry-romania.blogspot.ro/2018/03/ready-meals-market-in-romania.html>

For more details about the Romanian food market feel free to consult the FRD Center market report produced for the Royal Netherlands Embassy in Bucharest: the

"Romanian Food Market 2016 published on-line at:

<https://www.dutchromaniannetwork.nl/wp-content/uploads/2017/01/Food-Report-Romania-2016.pdf>

b) Opportunities: BRANDS, PRODUCTS, INGREDIENTS, M&A, TECHNOLOGY, KNOW-HOW, MACHINERY & EQUIPMENT, FACILITIES, PACKAGING, TEMPERATURE CONTROLLED STORAGE, RETAIL, MERCHANDISING, LOGISTICS

8. Industrial Manufacturing and Precision Tools

Output, Imports, Main importers

a) Sector brief

According to the National Institute of Statistics, the Romanian industrial production has increased by 8.2% in gross series in 2017 compared to 2016, mainly due to rises in the following sectors:

- manufacturing: **+8.9%**
- mining and quarrying: **+5.9%**

In December 2017 vs. December 2016, Romania has registered the highest increase in the industrial production of 13.5%, compared to the 4.8% average in the EU28.

The Romanian industrial manufacturing sector comprises mainly of:

- automotive: OEM and auto components
- heavy machinery and machine-tools
- chemical, including plastic, paints & varnishes, glass, cement etc.

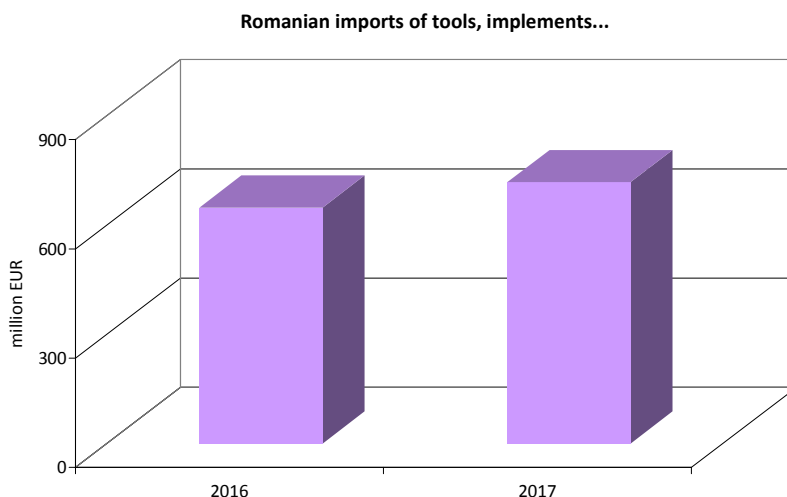


- mining and aggregates
- agricultural machinery
- oil and drilling equipment manufacturing
- naval, aviation and defence
- furniture, home appliances, white goods
- metal casting

The industrial manufacturing is a dynamic sector in Romania, benefitting from ongoing foreign investments, M&A interest from foreign players, an educated and productive labour force and a long tradition of industrial manufacturing, plastics production, metal working and casting.

Various international players are present on the Romanian industrial manufacturing sector. Also, numerous local companies have a long and well established presence on the Romanian industrial manufacturing market. They are expanding the operations and constantly investing in new technologies, modern manufacturing equipments and machine-tools.

According to the FRD Center analysis based on Eurostat data, the imports of tools, implements, cutlery, spoons and forks, of base metal and parts thereof of base metal have registered 717.6 mEUR in Romania in 2017, **up by 10.8%** compared to 2016.

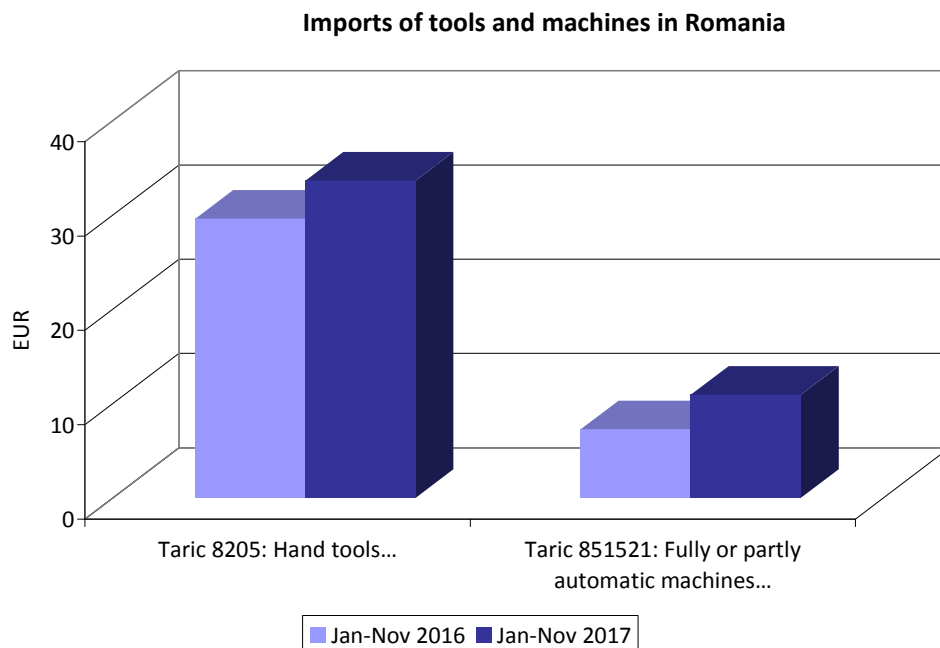


Source: Eurostat, FRD Center

According to the FRD Center analysis based on Eurostat official data, the Romanian imports of hand tools: drilling, threading or tapping tools, hammers and sledge hammers, planes, chisels, gouges and similar cutting tools for working wood, screwdrivers, other hand tools, including glaziers' diamonds, blowlamps, vices, clamps and the like, other tools including sets of articles of two or more subheadings of this heading (TARIC 8205) **have increased by 13.6%** in the first 11 months of 2017 compared to the similar period of 2016.

Furthermore, the Romanian imports of fully or partly automatic machines and apparatus for resistance welding of metal (TARIC 851521) in the first 11 months of 2017 compared to the similar period of 2016 **have increased by almost 51%**.

In the period January - November 2017, Romania has imported lathes (including turning centres) for removing metal worth over 32 mEUR and industrial robots worth more than 31.5 mEUR.



Source: Eurostat, FRD Center



According to the FRD Center market analysis, some of the most dynamic machine-tools importer-distributors in Romania are:

- GravoLAB CNC
- Mafcom
- INMAACRO
- Mazarom
- Proma Machinery
- KNUTH Machine Tools Romania
- Leadertech Consulting
- Allmetech Tools & Machines
- Rocast
- Vigra

According to the FRD Center analysis based on official data, their cumulated sales figure has exceeded 40 mEUR in 2016.

As an example, **INMAACRO**, set up in 1996 as Industrial Utilajimpex SRL, is the technical and commercial representative on the Romanian market of various German, Swiss, Dutch, Italian and Taiwanese producers of machine tools, measuring and control machines, cutting tools, accessories and software. INMAACRO imports and sells a wide range of measuring and control machines, machine-tools, cutting tools, accessories, work piece clamping devices and fixtures, providing the complete technical support throughout the whole production process and project. In 2016, the company's turnover has reached almost 8 mEUR which, according to the FRD Center analysis, is 38% higher than in 2015. The brands of machine-tools in the company's portfolio include: Akira Seiki, TBT, INDEX, Traub, Style High Tech, Extrude Hone, Blohm, EWAG, K. Jung, Walter, Studer Mikrosa, Fritz Studer, Studer Schaudt, Carl Zeiss, Dr.Schneider Messtechnik, Marposs, Zoller, Arno, Dihart, JEL, Komet, Walter Dunner, Schunk, Bruckner, Extramet, Seinro-Ionbond etc.

Fairs:

- Bucharest International Technical Fair - **TIB** (www.tib.ro) is a main event with a long tradition of in the industry, technology, research and innovation sectors. TIB 2018 will take place during 10 - 13 October 2018 at the Romexpo Exhibition Centre in Bucharest.



Since 1993, TIB has been internationally certified by the Global Association of the Exhibitions Industry UFI.

- **Metal Show** (www.metalshow.ro) is an international exhibition for metal cutting, sheet metal technologies, welding and robotics. The latest edition of the event has taken place during 17 - 20 April 2018 at the Romexpo Exhibition Centre in Bucharest, on an area of approximately 9,000 sqm.

More details in the FRD Center business blog postings at:

<http://market-entry-romania.blogspot.ro/2018/02/romanian-industrial-manufacturing.html>

<http://market-entry-romania.blogspot.ro/2018/04/the-metal-casting-and-metal-processing.html>

<http://market-entry-romania.blogspot.ro/2017/07/romanian-importer-distributors-of-metal.html>

<http://market-entry-romania.blogspot.ro/2017/08/machine-tools-imports-and-importer.html>

The FRD Center presentation on the ***Machine Tools Imports and Importers in Romania*** is available for free download at:

<http://www.frdcenter.ro/assets/Machine-Tools-Imports-in-Romania-FRD-Center-analysis.pdf>

b) Opportunities: BRANDS, MODERN TECHNOLOGY, KNOW-HOW, M&A, MACHINERY, FACILITIES, PRECISION TOOLS, AUTOMATION, DIGITALISATION

9. Healthcare Services and Medical Devices

Expansion, Imports, Main distributors

a) Sector brief

The main private providers of healthcare services in Romania are:

- MedLife
- Regina Maria
- Sanador



- Synevo
- Gral Medical
- Hiperdia
- Polisano
- Medicovert
- Sante
- Monza
- Med-As
- Arcadia

The Romanian healthcare sector is undergoing considerable reform and development. Both the public health services and the private healthcare system are expected to improve, expand and develop in the next years.

MedLife is the leader of the private healthcare services market in Romania. MedLife has accelerated its expansion in the last years by opening new units and by buying smaller competitors, such as Anima Clinics in Bucharest, Almina Trading operating in Ilfov and Dambovitza, Genesys Medical Clinic Group in Arad or Stem Cells Bank in Timisoara. Medlife has recorded a turnover **increase of 24%** in 2017 compared to 2016. MedLife is listed on the Bucharest Stock Exchange.

Regina Maria is the second largest private healthcare operator in Romania. Regina Maria has acquired in the last years Al-Medica Berlin Medical Center in Ploiesti, the Clinic IXIA Medica in Bucharest, the Ponderas Academic Hospital in Bucharest, the Helios Medical Center in Craiova or the Dr. Grigoras Medical Centers in Timisoara.

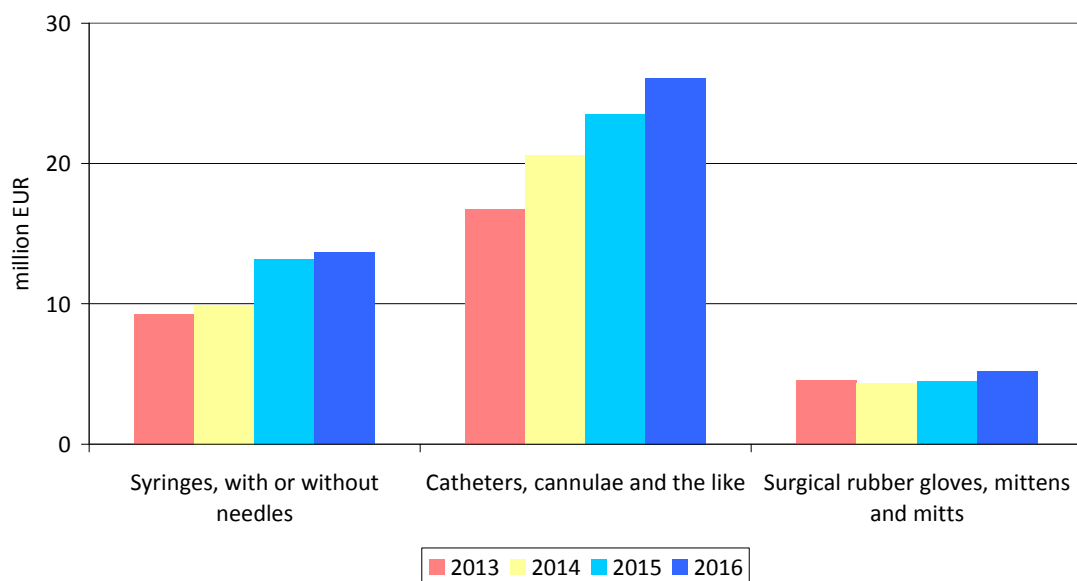
Sanador has the biggest private hospital in Romania. It is a general hospital launched in 2011 in Bucharest, following an investment of 40 mEUR. Sanador has relied on organic development and focused its investments only in Bucharest by opening a hospital and a network of clinics. Sanador has recorded a turnover of 64 mEUR in 2017, **up by 22%** compared to 2016.

The Romanian market of medical devices and health equipment, currently estimated at over EUR 500m, is expected to grow by approx 5% y-o-y in the next 3 - 5 years, mainly due to Romania's economic growth and increasing health expenditure both by the Government and private consumers.

According to an FRD Center analysis based on Eurostat official data, the imports of medical disposables in Romania have recorded the following y/y growth levels in 2016:

- syringes, with or without needles: **up 3%**, reaching 13.7 mEUR
- catheters, cannulae and the like: **up 11%**, reaching 26.1 mEUR
- surgical gloves, mittens and mitts: **up 16%**, reaching 5.2 mEUR

Imports of medical disposables in Romania



Source: Eurostat, FRD Center

According to FRD Center market research, there are approximately 300 importer-distributors of medical devices and commercial in Romania.

Some examples of dynamic importer-distributors of medical devices in Romania are:

- Medical Technologies International
- Sante International
- Sof Medica
- Silva Trading
- Rombiomedica
- Deltamed
- Hellimed



- Grazy Price Medical Import Export
- Adion Prodimpextrans
- Medfarm Trading
- Medicarom Group
- Mecial Ortovit

Established in 1992, **Sante International** imports and distributes a wide range of medical devices. The company has the HQ and warehouse in Bucharest and distributes its products in the entire country. Some of the brands in its portfolio are: St. Jude, Siemens Healthcare Diagnostic, AccuVein, Arcomed, Ecolab, Novaerus, Klaromed, Angelantoni Life Science. Sante International has registered a net turnover of EUR 13m in 2016. The firm has approximately 50 employees.

Set up in 1992, **Silva Trading** is a main importer-distributor of medical devices in Romania. The company has national coverage. The company owns the Angiomedica Medical Clinic, specialised in medical recovery pre and post cardiovascular interventions. Silva Trading has recorded a net turnover of EUR 10.1m in 2016. The company has approximately 20 employees.

Founded in 1993, **Hellimed** imports and distributes a wide range of medical devices. Some examples of brands distributed by Hellimed are: GE Healthcare, Cordis – Johnson & Johnson, Biosense Webster – Johnson & Johnson, Smith & Nephew, Otopront, Cortex, Simeon Medical, Bremed, Deymed, ABN Medical, Medisun etc. In 2016, Hellimed has reached a net turnover of EUR 5.3m. It has around 20 employees.

Fairs:

- **Rommedica** (www.rommedica.ro) is an international trade fair for medical instruments and equipment. The 2018 edition takes place between 19 and 21 April 2018 in Bucharest in the Romexpo Exhibition Centre.

- **Denta** (www.denta.ro) is a dentistry and dental technologies international exhibition. It is the most important Romanian event dedicated to the dentistry industry. The 2018 edition takes place during 15 – 17 November 2018 at the Romexpo Exhibition Centre in Bucharest.



More details in the FRD Center business blog postings at:

<http://market-entry-romania.blogspot.ro/2017/08/romanian-importer-distributors-of.html>

<http://market-entry-romania.blogspot.ro/2017/08/medical-devices-and-health-equipment.html>

<http://market-entry-romania.blogspot.ro/2017/07/romania-private-and-public-health.html>

The FRD Center analysis on the **Romanian Private and Public Health Services** is posted and available for download in the FRD Center website at:

<http://www.frdcenter.ro/assets/FRD-Center-Romania-Healthcare-analysis.pdf>

b) Opportunities: MODERN TECHNOLOGIES, EQUIPMENT, DEVICES, CONSUMABLES, LABORATORY, TENDERS

10. Plastic Foil and Packaging, Labelling: Production, Market demand

Romania is the most dynamic large market in Europe, presenting numerous business and investment opportunities for foreign companies.

The overarching trend of the plastic packaging industry in Romania is a clear tendency towards the Western EU standards. The innovation has a strong impact on the Romanian packaging sector.

In 2016, Romania produced Rigid tubes, pipes and hoses of polymers of ethylene worth of over 32 mEUR and Rigid tubes, pipes and hoses of polymers of vinyl chloride worth of over 36 mEUR.

According to a FRD Center analysis, the production of Plastic carboys, bottles, flasks and similar articles for the conveyance or packing of goods, of a capacity ≤ 2 litres in Romania in 2016 was **6% higher** than in 2015, reaching a value of over 93 mEUR.

Plastic production has a long tradition in Romania. The plastic and rubber manufacturing market in Romania is expected to grow at a CAGR of almost 5% by 2020. The recent boom in the Romanian manufacturing sector will be a critical factor leading to the growth of this market, attracting increasing investments in plastics and other manufacturing firms in recent years.



Out of the total manufacturing companies operating in the plastics processing field in Romania, the manufacturers of builders' ware of plastics represent approximately 54% and the manufacturers of plastic plates, sheets, tubes and profiles around 12%.

Some of the producers of plastic foil and polyethylene-based packaging products active in Romania include:

- Foliraf
- Moviplast
- Poly Bag
- Rogamplast
- For Ever
- Airflex
- Plastinvest
- Plastica
- Stifani
- Salex
- Romfilms
- Romcarbon
- Royal Prod Activ
- Egerom

According to the FRD Center research, Romania has produced in 2016 flexible tubes, pipes and hoses of plastics, with a burst pressure ≥ 27.6 MPa worth of 5.6 mEUR and flexible tubes, pipes and hoses of plastics, not reinforced or otherwise combined with other materials, without fittings of over 10 mEUR. Furthermore, the production of plastic tubes, pipes and hoses (excluding artificial guts, sausage skins, rigid, flexible tubes and pipes having a minimum burst pressure of 27.6 MPa) has reached 45.8 mEUR in 2016 in Romania.

More details in the FRD Center business blog posting at:

<http://market-entry-romania.blogspot.ro/2017/11/the-plastic-production-sector-in-ce-and.html>



FRD Center has been analysing the *Plastic Production Sector in CE and SE Europe* - a Demo example of what type of analyses FRD Center can produce upon specific demand is available for free download at:

<http://www.frdcenter.ro/assets/FRD-Center-Plastic-Packaging-Production-Sector-CE-SE-Europe.pdf>

New Crossborder M&A and Foreign Investments: Examples

Some examples of recent / announced crossborder M&As and foreign investments in Romania are:

- DS Smith has announced in March 2018 the completion of its 208 mEUR acquisition of EcoPack and EcoPaper, thus consolidating its position on the Romanian packaging market.
- The software development, cloud and eCommerce solutions provider OSF Global has inaugurated in March 2018 two new offices in Romania, located in Craiova and Pitesti. The opening of the two new business locations marks the continuous expansion of the company on the national scale.
- Bosch has acquired a land of 40 hectares in Simeria, Hunedoara county in order to build a washing machine factory. The total investment is estimated at approximately 110 mEUR. The factory will have, as from 2022, an annual production capacity of over one million washing machines.
- The German company Wielpütz Automotive will build a 10 mEUR car component factory in Craiova, SW Romania. The company has signed in January 2018 a contract to lease 3 hectares of land in the High-Tech Industry Park, operated by the Dolj County Council. The company plans to start production at its new factory in September 2018.
- The producer of automotive components VCST Automotive Production Alba, part of the Belgian Group VCST, has announced for 2018 investments of approximately 7.5 mEUR in new equipment in order to support the increase of the production capacity. 95% of the plant's production is exported.
- Rosendahl Industrial Services, the local subsidiary of the Austrian group Knill Gruppe, has launched at the beginning of 2018 investments of 3.5mEUR for the construction of a new hall to expand the production capacity of the Satu Mare



factory (NW Romania) where the company manufactures metal constructions and parts of metal structures.

- Unilever has acquired at the beginning of 2018 the local ice cream maker Betty Ice for an estimated 100 mEUR.
- Czech investment fund Penta Investment has acquired A&D Pharma in December 2017, the largest pharma group in Romania, in a deal estimated at 300 - 400 mEUR.
- Ford has started in October 2017 the production of the EcoSport SUV in its plant in Craiova, SW Romania, following an investment of 200 mEUR.
- In October 2017, the European Bank for Reconstruction and Development (EBRD) has confirmed that it will become a shareholder in the Romanian agribusiness company, Agricover Holding, taking over 13% stakes.
- Smithfield, part of WH Group (China), has acquired in September 2017 the local meat processors Elit and Vericom.
- In September 2017, the Mexican company Sigma Alimentos has acquired 51% of the shares of Caroli Foods Group, one of the main packaged meats producers in Romania.
- Danish Group Givisco has acquired 50% of the shares of the local pasta producer Sam Mills Group in August 2017.
- Faurecia has opened in March 2017 its fifth factory in Romania, located in Arges county, following an investment of 8 mEUR. The factory produces components for car interiors, delivered to international customers such as Jaguar Land Rover, Fiat Chrysler Automobiles, Volvo, Ford, PSA Peugeot Citroen and Renault.

More details in the FRD Center business blog posting at:

<http://market-entry-romania.blogspot.ro/2018/03/acquisition-opportunities-in-romania.html>

For other commercial and investment opportunities in Romania and the region, please feel free to contact us directly.

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