**Romania**

Romanian Chemicals Producers and Distributors Association (APDCR)

<table>
<thead>
<tr>
<th>Number of companies</th>
<th>Turnover</th>
<th>National contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>979</td>
<td>€2.3 billion</td>
<td>Alexandru Badea</td>
</tr>
<tr>
<td></td>
<td></td>
<td>President</td>
</tr>
<tr>
<td></td>
<td></td>
<td><a href="mailto:alexandru.badea@brenntag.ro">alexandru.badea@brenntag.ro</a></td>
</tr>
</tbody>
</table>

Direct employees

| 22,500 |

**GENERALITIES**

The country’s economy grew by 4.8% in 2016, the highest since 2008 and the third fastest in the EU.

Romania’s priorities for the period 2017–20 include investments in infrastructure, job creation, SME development and focus on health care and education.

**CHEMICAL INDUSTRY SNAPSHOT**

**Smaller, but still sizeable**

In 1990 the Romanian chemical industry achieved a record value of turnover, but since then over 85 large enterprises have disappeared. In 2016 the structure of chemical industry indicates a total number of 2,052 companies with a significant value of turnover (table includes wholesalers (1,158 companies, with approx. €2.43 billion turnover) and agents involved in the sales of fuels, ores, metal, chemicals (577 companies, with approx. €1.1 billion turnover).
According to Eurostat Structural Business Statistics (SBS) Database, the number of companies operating in the Romanian chemicals industry amounted to 979 in 2016. The number of people directly employed by the Romanian chemicals business was about 22,500 in 2016. Capital spending invested in the chemicals business in Romania was
about €271 million in the same year and according to the same EU source.

*Source: National Institute of Statistics*

**Overcoming complex problems**

Following the shift to free market economic policies that began in 1990, large state-owned production facilities, hampered by obsolete technology, high production costs and low productivity had to be restructured and privatized.

Economic contraction reduced demand for chemical products and key external markets were lost, while the remaining industry fragmented from 97 companies in 1990 to 3,500 by end of 2006.

**Signs of recovery**

The number of chemical manufacturers in Romania dipped to 824 in 2012 but have since begun to recover.

Important players in the chemical industry foresee joining synergies and increasing efforts for competitive presence on the market.

**Romania’s chemical industry in 2016**

<table>
<thead>
<tr>
<th>Sector</th>
<th>No. of companies</th>
<th>NO. of employees</th>
<th>Annual turnover</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic chemicals</td>
<td>12</td>
<td>4,379</td>
<td>€ 441 million</td>
</tr>
<tr>
<td>Paints, varnishes and inks</td>
<td>12</td>
<td>3,026</td>
<td>€ 310 million</td>
</tr>
<tr>
<td>Lubricants</td>
<td>7</td>
<td>374</td>
<td>€ 178.8 million</td>
</tr>
<tr>
<td>Adhesives</td>
<td>3</td>
<td>264</td>
<td>€ 128.4 million</td>
</tr>
<tr>
<td>Rubber products</td>
<td>5</td>
<td>751</td>
<td>€ 39.9 million</td>
</tr>
<tr>
<td>Chemicals trade</td>
<td>10</td>
<td>599</td>
<td>€ 488.5 million</td>
</tr>
<tr>
<td>Plastic products</td>
<td>25</td>
<td>6,712</td>
<td>€ 604.8 million</td>
</tr>
</tbody>
</table>
Chemical exports in 2016

The total value of chemicals exported in the world is US$ 1,924.1 million.

In 2016, the top partner countries to which Romania exports chemicals include Germany, Bulgaria, Russian Federation, Turkey and Hungary.

Chemical imports in 2016

The total value of chemicals imported is US$ 7,155 million.

In 2016, the top partner countries from which Romania imports chemicals include Italy, Hungary, France and Poland.
Continuing progress

Three factors are expected to aid further improvements in chemical industry competitiveness:

- Development of industrial clusters as part of regional development
- Enhanced spending on Research & Development and Innovation, to meet a target 2% of GDP (public and private funding)
- Cohesion policy contributes to reach competitiveness goals

HOW ARE WE DOING?

Strengths

- A strong petrochemical base
- Important natural resources and energy self-reliance
- Good level of regulatory compliance (EHS/Quality)
- Strategic location in the centre of Europe
- Foreign Direct Investment (FDI) potential
- A mature market – growth is export
- EU membership
- Hub for Central and Eastern Europe
- Long tradition of chemical production
Weaknesses

- Lack of innovation and specialization
- Ageing population
- Poorly educated and trained labour force
- Rising labour and energy costs
- Heavy administrative and regulatory burden; over regulation in some cases
- Limited access to leading technologies
- Vulnerability to imports and external shocks
- Poor infrastructure (transport mainly)
- Lack of knowledge
- Inadequate links between companies and research institutions for developing new products and improving technology
- Pressure to increase taxes and fees arising from public sector deficit

OUR CONTRIBUTION TO A COMPETITIVE EUROPE

Economic enabling strategies have been developed, aligned to the EU's 2020 strategy. These include national industrial policy, export strategy, Mining Strategy 2017-2035, Romania's Energy Strategy 2016-2030, with perspectives for 2050 and the competitiveness and Innovation strategy.

The government sets overall horizontal framework conditions across energy, research, education, and infrastructure, but these strategies are sometimes of more political than practical relevance.

Landscape of the European Chemical Industry Website:
http://www.chemlandscape.cefic.org/country/romania/