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Romania puts US relations at the heart of its growth strategy

City of Bucharest, Romania. Photo: Shutterstock



As Romania cements its place as a regional economic leader, US investors are finding new opportunities in an evolving market driven by infrastructure modernization, technological innovation, and EU integration.

Romania's transformation has seen it become firmly established as one of Europe's economic success stories. The figures paint a picture: GDP growth has consistently been among the bloc's highest, regularly topping 4%, and hitting 7.1% in 2016. Meanwhile, GDP per capita, which sat at just 44% of the EU average on Romania's accession in 2007, is on track to reach that average by 2040. But going beyond the figures, what emerges is a fast-changing nation, leveraging EU and NATO membership to maximize its potential. "Our aim is to prove that even in this corner of the world, where East meets West, success and quality of life are achievable," says Emil Boc, mayor of Romania's second city, Cluj.

Strategic investments in infrastructure, technology, and energy have positioned Romania as a key investment hub in Central and Eastern Europe. Despite a drop off in 2023, the last year for which data is available, World Bank figures show foreign direct investment (FDI) continues to trend upwards, rising from \$7.4 billion in 2019 to more than \$11 billion in 2021 and 2022. This reflects a government actively driving reforms to continue to attract FDI. In a 2024 speech to the American Chamber of Commerce in Romania, Prime Minister Marcel Ciolacu stated his goal was to attract cumulative FDI of \$41.5 billion, highlighting the importance of the nation's strategic partnership with the US in achieving this. "Romania's economy is much more sensitive to what is happening in the United States than in Europe," Ciolacu said, stating his ambition that "the United States becomes the main non-EU partner of Romania."

Romania's 2025 integration into the US Visa Waiver Program represents a milestone in this growing relationship, facilitating easier travel

and business operations between the two nations. During the announcement of the decision, Ciolacu described it as a "historic moment" in bilateral relations. It's a move that reflects Romania's continuing efforts in international partnership building and integration, with Ciolacu highlighting the nation's accession to the Organization for Economic Co-operation and Development, currently on track, as another key strategic goal.

Domestically, an unprecedented wave of infrastructure modernization has been fueled by EU funding and public-private partnerships. The country is prioritizing highway expansion, railway modernization, and airport upgrades to improve connectivity and trade flows, while energy transition is another driver, with the government targeting renewables to account for 34% of national energy supply by 2030.



"Building a sustainable knowledge-based economy requires continuous effort"

Emil Boc
Mayor of Cluj

Cluj-Napoca, located in the Transylvania region, has emerged as one of the spearheads of this transformation. Using its cluster of universities and dynamic workforce as a basis, the city has successfully diversified its economy to become a leading technology hub, attracting US investors in IT, digital infrastructure, and AI, with defense a key area of opportunity. "Building a sustainable knowledge-based economy requires continuous effort, collaboration, and adaptation," says Boc. "The transformation over the past 20 years shows what is possible when we prioritize talent, education, and strategic planning." ●

FAST FACTS

- 19.1 million. Population of Romania according to World Bank data.
- \$344 billion. Current gross domestic product according to the World Bank, 12th in the EU.
- \$1.3 billion. Total value of US exports to Romania, according to UN data.
- 550. Companies represented by the American Chamber of Commerce in Romania.
- 100,000. Student population of Cluj-Napoca, across 10 public and private universities.



PROUD SPONSORS



Why invest in Romania?

Romania's progress has created a thriving investment climate, fueling opportunities right across its dynamic economic landscape.



Downtown Bucharest. Photo: Shutterstock

Romania's robust economic performance looks set to continue, with the European Commission forecasting an acceleration in GDP growth to 2.5% in 2025 and 2.9% in 2026. These projections hinge on factors including increased productivity resulting from infrastructure upgrades and the country's accession to the EU's border-free Schengen area, as well as easing pressure from headline metrics such as wage growth and inflation.

Taken together, it reflects a country that has leveraged fertile economic conditions to undergo a significant transformation. Since joining the EU in 2007, Romania has consistently featured among the bloc's top-performing economies, attracting sizable EU funding for infrastructure projects, and becoming a leading destination for foreign direct investment in Central and Eastern Europe (CEE). Growing strength in areas including electronics, of which it is the region's largest producer, mobile technology, information security, IT, and automobile production have led to improved wages and disposable income, fueling the private consumption that has been one of the economy's main drivers.

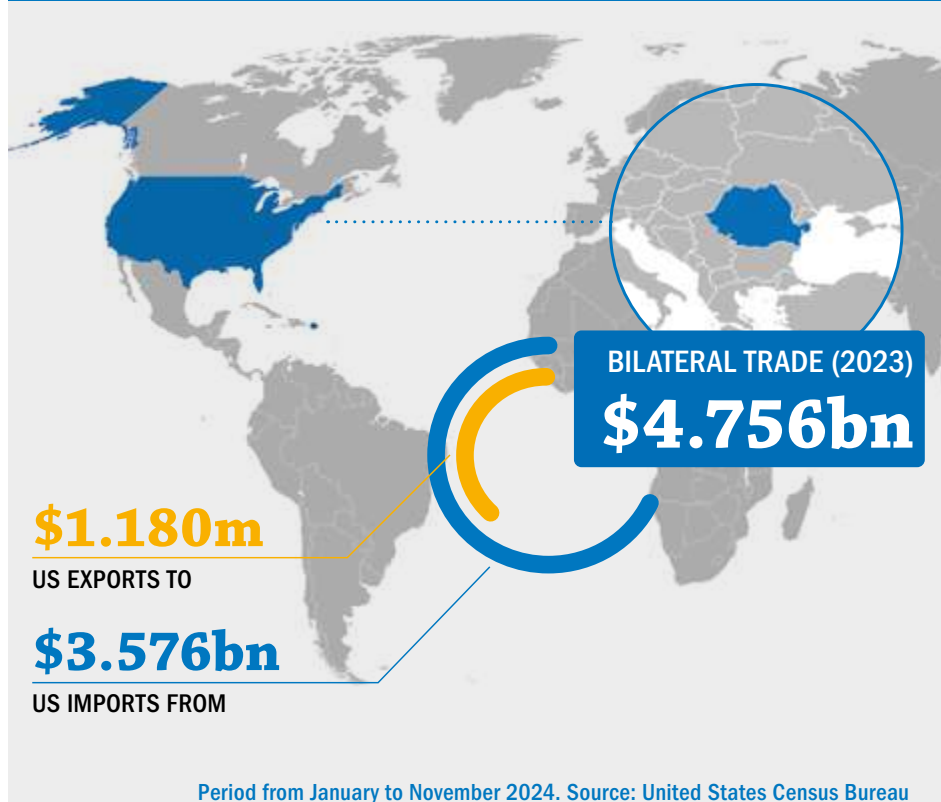
This positive trajectory, coupled with abundant natural resources, a skilled workforce, and a strongly pro-Western orientation have captured

Since joining the EU in 2007, Romania has consistently featured among the bloc's top-performing economies.

the attention of US investors in recent years too. The International Trade Administration characterizes Romania as "very welcoming to Americans and very favorable to products and services from the United States," noting its strategic advantages as a gateway to the EU market and beyond.

Despite the strides taken in recent years, opportunities abound. Co-Founder Andrei Cionca of private equity pioneers Roca Investments highlights the potential for consolidation among companies in the fragmented CEE market, while digitalization is bringing positive disruption to the financial and other sectors. "Romania holds immense potential," concludes Banca Transilvania CEO Ömer Tetik. "There remain vast opportunities across sectors such as IT, agriculture, food processing, defense, and automotive." ●

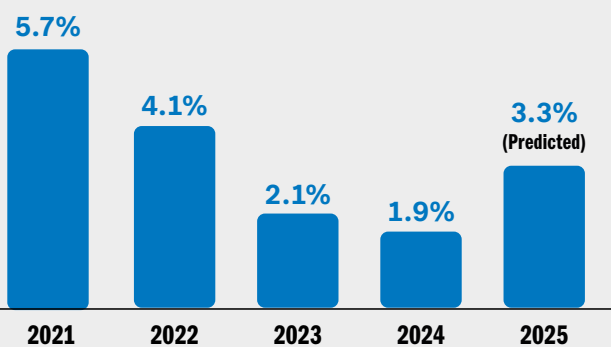
ROMANIA BY THE NUMBERS



Net foreign direct investment in Romania increased by 3.3% year-on-year to EUR 6.3 billion in the 12 months leading up to October 2024, according to Romania's central bank.



According to US State Department data, American investors have found opportunities in information technology, automotive, telecommunications, energy, defense, services, manufacturing, healthcare, consumer products, insurance, and banking sectors.



Source: IMF

Talking finance

With insights from banking, private equity, and investor relations, industry leaders from Romania's thriving financial sector offer unique perspectives on the nation's economic performance, investment opportunities, and the strategies underpinning their business success.

BANCA TRANSILVANIA



"Over the past 12 years, we have increased our market share from 7-8% to nearly 23%"

Ömer Tetik
CEO, Banca Transilvania

Banca Transilvania (BT), Romania's market leader, advances with the launch of neo bank Salt Bank and a key acquisition. CEO Ömer Tetik explains.

Q: What is BT's market position?

As a local bank, this is our home game. Unlike others, we are singularly focused on Romania, leveraging our unique position as the only vertically and horizontally integrated financial group in the country. Our strategy combines defending and growing our market share—nearly half of Romania's active population are customers—with delivering excellent customer experiences and strong returns to shareholders through the Romanian stock exchange. Over the past 12 years, we have increased our market share from 7-8% to nearly 23%.

Q: How is Salt Bank—your first neo bank—advancing digitalization?

A bank like BT may not invent new products like mortgages or credit cards, but we excel at observing global trends and being early adopters, bringing the best innovations to Romania. With neo banks entering the Romanian market, we decided to create

our own competitor—both for others and ourselves—to innovate and learn.

Salt Bank began as an ambition but has proven to be a solid plan with a strong team driving its success. In just six months, Salt Bank has grown to nearly 250,000 active customers and continues to gain favor. The aim is to enhance digital services, improve user experience, and advance automation in all areas of our operations.

Q: What advantages have you gained from the July 2024 acquisition of OTP Bank Romania and its subsidiaries?

The OTP acquisition marks our fourth in 15 years and brings 400,000 new customers, along with significant synergies. Once integration is complete, the addition to our balance sheet will support profitable growth. New OTP customers will also gain access to a wide range of services, including leasing, asset management, consumer finance, and pensions. Additionally, OTP strengthens our presence in key areas like Bucharest and regions with a significant Hungarian-origin population, expanding our footprint in central Romania.

Q: Why should prospective US investors choose BT?

For US investors, Romania stands out as one of the safest and most profitable investment opportunities. The country's consistent GDP growth of 2-3% annually—with potential for 4-5%—and vast resources, make it an ideal place to invest.

The banking sector is strong, and we are proud to lead it. Our debt and capital markets performance tells a strong, profitable story, and we have achieved investment-grade ratings from both major rating agencies. To date, we have attracted interest from over 170 investors across 28 countries, including significant participation from major US funds and asset managers. Notably, with each of our last three or four bond issuances, investor interest has grown while yields and margins have declined—an encouraging trend. ●

ROCA INVESTMENT

Roca Investments is a striking success story in Romania's fledgling private equity sector, achieving a 78% portfolio valuation increase last year.

Q: What key decisions have shaped Roca's emergence in private equity?

We positioned ourselves as pioneers, learning from developed markets and adapting those lessons to our region. In 2018, we transitioned from our insolvency business where we felt limited in our ability to create meaningful economic impact. This led to the creation of Roca Investments as a necessity to finance and grow companies. We've moved toward a buyout strategy, supported by the flexibility of our fully private funding and the trust of our investors.

"We positioned ourselves as pioneers, learning from developed markets and adapting those lessons"

Andrei Cionca
Co-founder, Roca Investment

Q: How does your investment philosophy set Roca apart?

We're hands-on managers who believe in transformation. Our approach focuses on



Andrei Cionca & Rudolf Vizental
Co-founders, Roca Investment

turning entrepreneurial, "one-man-show" businesses into sustainable entities led by strong teams. We target sectors like construction materials and agriculture, creating synergies among companies, consolidating markets, and pushing businesses to expand regionally and internationally.

Q: How does Roca's model attract US investors?

We're addressing two major challenges: scale and diversity. By grouping companies into strategic holdings and investing in over 20 firms—compared to the typical six to eight in a fund—we offer a diversified portfolio. Sectors like construction materials and agriculture align with US investment interests, especially with opportunities tied to rebuilding Ukraine and strengthening European infrastructure. ●

ARIR



"Romania is thriving economically and offers great opportunities for international investors"

Daniela Serban
President & Co-founder, ARIR

Daniela Serban of the Romanian Investor Relations Association (ARIR) discusses the importance of transparency and robust corporate governance.

Q: What role does ARIR play in Romania's market development?

ARIR was founded in 2018 to improve transparency and communication between listed companies and investors. We now have over 40 members, covering 90% of the Bucharest Stock Exchange's market capitalization. ARIR

promotes best practices and creates a platform for knowledge sharing, driving progress in investor relations.

Q: What is ARIR's approach to improving investor relations?

Professionalism is our foundation. We've implemented guidelines that improve companies' communication with investors, including bilingual disclosures, financial call transcripts, and readable data formats. Our Vector Indicator evaluates companies' adherence to these standards, encouraging better practices across the board.

Q: How has the Vector Indicator been received?

It's been very well-received, even drawing attention from the OECD, as Romania moves closer to membership by 2026. It's a transparent methodology that raises the overall quality of investor relations while setting achievable goals for companies.

Q: How do you view Romania's economic outlook?

Romania's GDP is set to grow by 3% this year, and the market is expanding with more companies being listed. Despite regional challenges, Romania is thriving economically and offers great opportunities for international investors. ●