



Romania

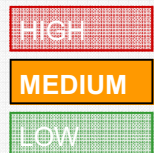


- Location: Southeastern Europe, bordering the Black Sea, between Bulgaria and Ukraine
- Area: total: 237,500 sq km: land, 230,340 sq km: water 7,160 sq km
- Natural resources: petroleum (reserves declining), timber, natural gas, coal, iron ore, salt, arable land, hydropower
- Population: 22,303,552 (July 2006)
- Languages: Romanian (official), Hungarian, German
- Government Type: Republic
- Legal system: Parliamentary Republic; a new constitution was adopted in 1991 and 2003
- Executive branch: Chief of State - President Traian BASESCU; Head of Government - Prime Minister Calin Popescu-TARICEANU; *Cabinet* - Council of Ministers appointed by the prime minister; *Elections*: president elected by popular vote for a five-year term
- Political parties: Conservative Party (CP); Democratic Party (DP); Greater Romania Party (GRP); Hungarian Democratic Union in Romania (HDUR); National Liberal Party (NLP); Social Democratic Party (SDP)
- National elections: December 12th 2004. Next parliamentary and presidential elections due in 2008 and 2009, respectively.

Challenges

- High level corruption continues to be a problem in Romania. Romania has the highest level of corruption among EU members in Eastern Europe. The European Commission concluded in its February 2008 interim report that Romania has not made enough progress to tackle high level corruption.
- Romania has the highest occurrences of cyber related crimes in the world. The United States Department of Justice (DOJ) notes that financial institutions, as well as banks, have been targeted by sophisticated "phishing" attacks and fraudulent transactions.
- Chinese officials have expressed concern that Chinese corporations are establishing themselves in Romania. The Chinese concerns emanate from the fact that Chinese nationals have previously imported a significant amount of counterfeit goods into the Romanian market destined for the European Union.
- A combination of political disagreements within the government and fear of losing popular support have further delayed necessary reforms. Romania is jeopardizing benchmarks set by the European Commission.

Challenges: Medium



Actions

- CIN has previously assisted investors with identifying key officials who can provide early updates on new legislation and with pinpointing judges with a history of enforcing contracts.