



INFOPOLITIC

Romanian Politics

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Democracy



IMPORTANT DEVELOPMENTS

1. **FOREIGN POLICY.** Prime Minister Victor Ponta makes a successful visit to Germany and Slovakia
2. **POLITICS.** Traian Basescu announces his intention of calling another referendum
3. **ECONOMY.** World Bank figures show the Romanian economy is steadily growing
4. **RESEARCH.** Works on the ELI-NP project start in Magurele
5. **FINANCE.** Romania has reached all the objectives of its agreement with the IMF



VICTOR PONTA'S VISIT TO GERMANY – THE SIGN OF ROMANIA REGAINING ITS STRENGTH

Prime Minister Victor Ponta met the German Chancellor, Angela Merkel, as well as representatives of the business environment and potential German investors. **The message of the chancellor was that Romania remains an important partner for Berlin.** The dinner offered by Angela Merkel was longer than customary official meetings, which shows Angela Merkel's increased interest for Romania. The visit is important especially in political and economic terms, Germany being the third largest investor in Romania. Several German companies have already announced important investments in Romania, after **having received a message of political stability from the Prime Minister**, who emphasized that the economic impact of this situation is already starting to show its results.

Victor Ponta also presented the USL model of combating the effects of the economic crisis: combining fiscal discipline with balanced economic growth and strengthening the social state. **The Prime Minister also emphasized Romania's economic performances: the country has registered Europe's third highest growth rate, as well as unlocking important European funding.**

Another one of the objectives of the Prime Minister's visit to Germany was obtaining guarantees concerning the rights of Romanians living in Germany. The chancellor ensured that no Romanian citizen will be discriminated against in Germany.

The Prime Minister's high level visits show that Romania is starting to be perceived as an active political actor in Europe. Romania has a say in European politics and the



USL government is making sure that Bucharest's voice is heard.

THE REFERENDUM CALLED BY PRESIDENT TRAIAN BASESCU HAS ONLY POLITICAL VALUE

President Traian Basescu's announcement that he will convene a referendum on reducing the number of MPs and dismantling one of the two chambers of Parliament is only another step in his quest for restarting the political conflict in Romania. **The president's announcement is seen as an electoral move**, meant to increase the electoral chances of the Popular Movement, the political party his followers are trying to organize.

USL figures emphasized that, if his intentions concerning the reduction of the number of MPs were true, **he would not have challenged the law adopted last year by the USL**, which reduced the number of MPs to 300. His actions led to the current oversized Legislative

It is also important to note that the revision of the Constitution and **the enactment of the provisions of the 2009 referendum were nowhere on the president's agenda** during the two and a half years when the PDL had a consistent parliamentary majority.

Several voices also criticized the President's intention of dismantling one of the two chambers of Parliament. **The disappearance of the Senate means less debates on controversial legal initiatives and one less filter in the control of the legislative process.**



THE WORLD BANK: ROMANIA'S ECONOMY WILL GROW BY 1.7% IN 2013 AND BY 2.2% IN 2014

The WB improved its forecast on the growth of the Romanian economy. The prognosis is a signal that the economic performances of the USL government and the political trust with which the USL cabinet is credited by international investors and markets are starting to produce results.

The figures **conclusively prove that Romania is entering a period of macroeconomic stability and that the policies of the USL are working**. Moreover, the figures show that the USL's policy can truly lead to results: balancing the system of public expenses and restarting economic growth without resorting to austerity measures can be achieved simultaneously.

Government figures emphasized the positive results registered by Romania: Europe's third largest economic growth rate, an unemployment rate inferior to that in the Eurozone countries and rising foreign investment. Moreover, industrial output in the first months of 2013 has increased by 6.4% compared to the same period of 2012

WORK IS STARTING ON THE LARGEST RESEARCH PROJECT IN ROMANIA – ELI-NP

The ELI project is a project of European importance, which will bring fame and important investments in Romania. As a competitiveness pole, **the Magurele project can attract investment worth 1 billion Euros**. The project can also create an important number of jobs and the research conducted here can influence fields as diverse and as



important as healthcare, nuclear physics, the pharmaceutical industry.

Government figures expressed their satisfaction that a project of global importance is hosted by Romania and expressed their hopes that the Magurele project will stimulate the development of the research and development sector in Romania. USL figures also pointed out that the project shows the importance the USL government gives to the development of the research and development sector.

ROMANIA DID NOT MISS A SINGLE OBJECTIVE OF ITS AGREEMENT WITH THE IMF

The Romanian Government had to conclude 5 actions in order to enter the IMF board. The privatization of 15% of the Transgaz shares was concluded in April. The selection of a consultant for the privatization of the 15% shares at the Oltenia Energy Complex has ended in May.

The reduction of arrears is to be finalized next week, whereas the privatization CFR Marfa will be finalized by the end of June. USL figures expressed their satisfaction at concluding all the targets and their hopes of entering the IMF board.