



INFOPOLITIC

Romanian Politics

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IMPORTANT DEVELOPMENTS

1. FOREIGN POLICY. Victor Ponta concludes a successful visit to Asia.
2. FOREIGN POLICY. The Prime Minister delivers Romania's support message for the US with the occasion of the July 4 celebrations.
3. EU FUNDS. The European funds absorption rate rises to 20%.
4. FINANCES. The Government requests the conclusion of a preventive agreement with the IMF.
5. FOREIGN POLICY. The Prime Minister announces his intention to visit Lithuania.
6. EU. Romania registers above average compliance with EU legislation.



VICTOR PONTA SUCCESSFULLY CONCLUDES A VISIT TO CHINA

The Asian tour of Prime Minister Victor Ponta continued with a visit in China, where the Romanian Prime Minister sent a political message of governmental support for the collaboration of the local authorities in both countries. “I wanted to take part at the opening of the China – Central and Eastern Europe local authorities’ forum very much. I believe that investments in infrastructure represent a huge untapped potential,” Victor Ponta added.

During his visit, the Prime Minister **held talks with the president of the PRC, Xi Jinping, as well as with the Chinese Prime Minister, Li Keqiang, being one of the few European leaders to be received by the new Chinese leadership.** During these talks, the Prime Minister voiced his proposal for the development of a strategic partnership between the two countries. “We have proposed, during the talks with the Chinese President and the Chinese Prime Minister to elevate the rank of the relationship between the two countries **to the rank of Strategic Partnership.**

Such a partnership comprises several areas, starting from the political cooperation and the economic cooperation process, but espousing other areas such as culture and education too”, Victor Ponta declared. Victor Ponta also emphasized that Romania deems the China-Central and Eastern Europe Secretariat as an important opportunity **to establish privileged regional and bilateral relations.**

The Prime Minister’s Asian tour comes after several high profile visits made this year and expresses the continuity of the USL Government’s foreign policy. The visits express Romania’s increased opening towards establishing



partnerships and **highlights the country's increased attractiveness for foreign investors.**

VICTOR PONTA TOOK PART TO THE 4TH OF JULY CELEBRATION HELD BY THE AMERICAN EMBASSY IN BUCHAREST

The Prime Minister took part in the July 4 celebrations held at the American embassy and declared that the atmosphere is much more relaxed than a year ago. The Prime Minister expressed **his satisfaction with the stability and predictability of the country**, which prove Romania's unwavering support for the United States. "It is a great privilege and an honor to be here with you for the second year in a row and to express our best wishes on behalf of the Romanian Government".

The Prime minister referred to the cooperation on security and military ground between the two countries in Afghanistan, to the implementation of the anti-missile shield, adding that the economic cooperation will be encouraged by the signing of a free-trade agreement between the EU and the US. "**I believe that this will be a major achievement for both the US and the EU member states**, which will lead to an increase of trade on both sides of the Atlantic, will create jobs and foster opportunities for all the parties involved", Prime Minister Ponta declared.

The Prime Minister also thanked Duane Butcher for his personal involvement in the energy dialogue between the Romanian Government and the American Companies. "These companies give Romania the chance to achieve energy independence in the future, which will allow us to fully fulfill our economic potential", the Prime Minister declared.



ROMANIA'S EU FUNDS ABSORPTION RATE INCREASES THREEFOLD

In less than a year, the USL has managed to increase the absorption rate of EU funding threefold. According to the most recent reimbursement request issued to the European Commission, the absorption rate has reached 20% of the total funds allotted to Bucharest. **The absorption rate for the POSDRU program has reached 16.62%, whereas the absorption rate for the POR program is 33%.**

Unlocking the POS Transport program made possible issuing reimbursement requests worth 135 million Euros. The total value of accessed funds in the transport system is 655 million Euros. As a result of the Government unblocking of EU operational programs, **the total value of reimbursements is 3.7 billion Euros.**

Government representatives expressed their satisfaction with the Cabinet's performance. In less than a year, the USL cabinet has started from blocked European programs and has managed to increase the absorption rate from 7.5% to 20%. They also expressed their hopes that the authorities will focus on further increasing the absorption rate.

THE GOVERNMENT IS LOOKING TO CONCLUDE A PREVENTIVE AGREEMENT WITH THE IMF

The Government wishes to close a new preventive deal with the IMF, **in order to ensure the reliability of Romanian finances.** Prime Minister Victor Ponta declared that the letter calling for the conclusion of a preventive agreement was sent to the IMF. **The Prime Minister emphasized that**



the letter has the approval of the Government, the Presidency and the National Bank governor. The Prime Minister emphasized that the request is the result of a consensual decision, involving all the major political leaders of Romania.

The Prime Minister added that the memorandum that ends the agreement with the IMF, the European Commission, and the World Bank signifies a period of tremendous efforts of Romania. He insisted that the new request has a preventive nature. It will hallmark the country's macroeconomic stability and **will allow Romania to borrow money on international markets at a lower interest rate for specific goals.** Victor Ponta emphasized that he hopes Romania will receive a positive response following Christine Lagarde's visit to Bucharest.

THE PRIME MINISTER WILL VISIT LITHUANIA

Prime Minister Victor Ponta will make a visit to Lithuania, the country that holds the presidency of the European Council, in order to discuss with Vilnius officials important issues for Romania, **such as the country's accession to the Schengen Area.**

„I will make a visit to Lithuania to meet with the Prime Minister and the President of Lithuania specifically to discuss the most important issues the European agenda. I believe that during the course of this semester, **the most important priority for Romania is to take advantage of the unlocking of European funding** – European funding remains our topmost priority. I also want Romania to become more involved in the European level decisions that are to be taken in the following period, especially those concerning the Monetary and Banking Union”, the Prime Minister declared.



The Prime Minister expressed his confidence that Romania will access the Schengen Area **when the progresses registered by the country will be “clear for all our partners”**. He also emphasized that even though he hopes all the country’s European partners will notice Romania’s path, accession to the Schengen Area is not the country’s foremost priority.

ROMANIA REGISTERS ABOVE AVERAGE COMPLIANCE WITH EU LEGISLATION

The number of infringement actions undertaken by the European Commission against Romania registered a significant decrease. Romania stands below the average rate of infringement charges brought against an EU member, according to a recent report issued by the European Commission. **Moreover, Romania is one of the EU members who enjoys a fast rate of solving disputes**, with an average of 19 months spent in each case (8 months below the EU average rate).

In regards to the process of implementing EU directives concerning the single market, **Romania has a 1% deficit, which corresponds with the EU imposed targets**. The average delay rate is 6 months, which is below the EU average rate of 8 months for the implementation of the directives. No directive was implemented later than 2 years. **Moreover, Romania has not been sentenced by the European Court of Justice on matters of EU directives implementation.**



The report also highlights the manner in which the SOLVIT center, managed by the Ministry of Foreign Affairs, successfully managed most of the current requests, in spite of the great number of causes, its performance being above average EU rates. Its efficiency was rated at 94%, 5% above the EU average rate.