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# INFOPOLITIC

## Romanian Politics

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### IMPORTANT DEVELOPMENTS

1. **FOREIGN POLICY.** French Prime Minister Jean-Marc Ayrault visits Romania.
2. **ECONOMY.** The Prime Minister presents the National Plan for Strategic Investments and Job Creation.
3. **FINANCES.** Prime Minister Victor Ponta receives the visit of the IMF Director, Christine Lagarde.
4. **ECONOMY.** On the occasion of Huawei's coming to Romania, Prime Minister Victor Ponta expressed the Government's support for the foreign investors.



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## VICTOR PONTA RECEIVES THE VISIT OF THE FRENCH PRIME MINISTER, JEAN-MARC AYRAULT

The French Prime Minister Jean-Marc Ayrault, accompanied by four ministers of his cabinet, paid a two-day visit to Romania. Both politicians attended the reception organized at the French Embassy in Bucharest, to celebrate the National Day of the French Republic.

**“I’d like to consider this meeting as a revival of the strategic partnership between Romania and France, when, beyond beautiful intentions, we begin to have actual cooperation actions. I am particularly honored by this visit as we celebrate together the National Day of France. I note with great satisfaction that, lately, the bilateral relations have reached a much, much higher level than in recent years,” Prime Minister Victor Ponta declared,** in a joint press conference with his French counterpart.

Victor Ponta **also approached, during the bilateral discussions, the subject of the integration of the Roma minority** stressing that “the medium and long term solution to this problem calls back to Romania and the solution is the integration here, in Romania, of the representatives of the Roma minority”. Victor Ponta added that Romania “needs cooperation and support for this medium and long term goal to be accomplished.”

**Victor Ponta underlined that the discussions were centered on economic cooperation and investment development.** The French Prime Minister underlined that the increase of bilateral trade between the two countries is a foremost priority: “It is important that trade exchanges between Romania and France progress. Among the Balkan states, over half of French exports are directed



towards Romania, which are worth 3 billion euros. These exchanges are balanced and this is normal because it is desirable that both parties gain from economic cooperation”, asserted Jean-Marc Ayrault. In 2012, Romania’s exports to France were worth 2.916,2 million euros, while exports – 2.880,6 million euros, recording a positive balance in Romania’s favor of 35.6 million euros.

**“I said in Paris that I want France to rediscover Romania as its best friend in the region,** a Francophone and Francophile country, and our partnership moves now from beautiful words to deeds, fact that is very important”, said Victor Ponta. Regarding foreign policy, Victor Ponta declared that Romania and France would have an identical position about the Eastern Partnership, in particular to the Republic of Moldova.

“I want to point out, when it comes to political relations, that we have an excellent partnership in terms of foreign policy, you have seen Romania’s and France’s position on Mali, Syria, Serbia and Kosovo. Similarly, we will have an identical position regarding the Eastern Partnership, in particular to the Republic of Moldova, which is important to us. Even the famous Schengen file – here France was and remains a supporter of Romania”, Victor Ponta added in an interview for the Romanian national television, alongside the French Prime Minister. In the same interview, **Jean-Marc Ayrault, emphasized that the partnership between the two countries is a complex one,** covering to European policy, defense, energy matters, but also addressing issues related to the industry, higher education, research, and culture.

“The roadmap that we signed with Victor Ponta is a complete, ambitious and warm partnership, because it is based on a very strong trust and, arriving here in Bucharest, I am enthusiastic and much more determined to make this partnership, which is an example for our countries and Europe, succeed. (...) **It is a partnership in which both parties win. We see the results of foreign trade figures, the**



**result is 6 billion, in equal parts and growing”**, added Jean-Marc Ayrault.

## THE GOVERNMENT PRESENTS THE NATIONAL PLAN FOR STRATEGIC INVESTMENTS AND JOB CREATION

Prime Minister Victor Ponta presented at a press conference held at Victoria Palace the “National plan for strategic investments and job creation”. **Under this plan, investments worth 10 billion euros will be launched in Romania, which will create 50 000 new jobs, by the end of 2013.** According to the Prime Minister, Romania’s exit from a period of international isolation will contribute to the success of the plan.

“This Plan means at least 10 billion euros invested in key areas (IT, automotive, energy, resources, agriculture, highways) and creating 50.000 new jobs, by the end of 2013”, declared the PM.

**The first stage** of the National Plan of Strategic Investments consisted of **macroeconomic consolidation** (exiting the excessive deficit procedure – after 2007, deficit of less than 3%), taking social justice actions, renewing economic growth (exiting recession) and stopping wastage of public cash.

**The second stage** consists of acquiring economic and political stability, unlocking operational programs, reviving action against evasion (reforming NAAF) and the reform in administration remuneration, while **the third** aims at reviving the foreign political and economic relations (Europe, Asia) – attracting investments of 10 billion euros



and creating minimum 50.000 new jobs, by the end of the year.

“We have kept our word and the results are starting to show. **High confidence of investors in Romania, economic stability, better and better foreign relations with the EU, the US and China, unlocking of EU funds** – all are part of a Strategic Project for Romania, conceived in concrete parts”, Victor Ponta added.

In the following period, **strategic investments will be made in energy** (increased energy interdependence, lowered price on the energy bill), **mineral resources in agriculture** (rural development, payments to cultivators, investments for farmers), **industry** (grater competitiveness, areas of excellence: automotive, IT, communications, industrial parks and SME support) and in **infrastructure** (both road and rail).

## CHRISTINE LAGARDE VISITS ROMANIA

The Government expressed its intention to conclude a new precautionary agreement with the occasion of the IMF's director visit to Bucharest. During last week's Government meeting a memorandum, that formally notes the agreement with the IMF, the World Bank and the European Commission, was adopted. **Christine Lagarde's Bucharest visit points out that the last agreement concluded well**, the Government acquitting itself of all its assigned tasks.

The new agreement **will be used as a "health" guarantee of the Romanian finances**. Romania currently enjoys the lowest interests on private markets in its post-December 1989 history, which means that we will not have to use any dollar from the IMF. The objectives of the new agreement were negotiated during the visit of the IMF Managing Director, Christine Lagarde.

**Christine Lagarde is only the last head of an international financial institution that, in recent months, visited**



**Romania**, after the EIB President came to Bucharest in March, followed by the President of the World Bank. The messages conveyed in this coordinated endeavour of the international financial institutions is highly positive for Romania, emphasizing Romania's macroeconomic stability

**The IMF's Managing Director congratulated the Romanian authorities for the successful completion of the agreement finalized in June 2013**, as well as for Romania's exit from the excessive deficit procedure. The parties agreed on the importance of continuing structural reforms and increasing the absorption of EU funds, as medium and long term drivers of economic growth.

Government figures emphasized that continuing the Partnership with the IMF means continuing fiscal consolidation, an acceleration of structural reforms, and last but not least, **means stronger confidence of foreign investor, mainly, in the huge economic potential that the Romanian economy has at the moment.**

## VICTOR PONTA SUPPORTS THE ACTIONS OF FOREIGN INVESTORS

Prime Minister Victor Ponta declared on the 10<sup>th</sup> anniversary of the presence of Huawei in Romania that all those **who invest in Romania and create new jobs will be supported by the Government.**

“By my presence here today, I want to convey a message of openness and support for the Chinese companies, for Huawei, for all those who invest in Romania, create jobs and consider Romania an economic partner. The fact that Huawei sees in Romania a development center for the whole of Europe, **the fact that it will continue to expand the number of staff and development centers in Romania are extremely good news** and the Romanian Government



will provide full support for this strategy to be implemented”, Victor Ponta added.

**The Prime Minister believes that Huawei will be an important provider for telecommunications companies in Romania.** Victor Ponta is confident that Romania can become a European leader on the telecommunications market, and working with a strong company like Huawei will help the country achieve this objective. The Prime Minister also said that Romania is the first country in Central and Eastern Europe that accesses the partnership with China, worth 10 billion dollars.

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