



INFOPOLITIC

Romanian Politics

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Democracy



IMPORTANT DEVELOPMENTS

1. **FOREIGN POLICY.** Prime Minister Victor Ponta had a discussion with US President, Barack Obama in Johannesburg.
2. **ECONOMY .** Agrifood exports exceeded imports in the first nine months of the 2013.
3. **FOREIGN POLICY.** The Prime Minister of the Republic of Moldova will visit Bucharest.
4. **FINANCE.** President Traian Basescu has promulgated the 2013 Budget.
5. **POLITICS.** Victor Ponta agrees that lawmakers are not civil servants, but dignitaries responsible in front of the law.
6. **INFRASTRUCTURE.** The USL Government has already opened 300 km of highways.
7. **ECONOMY.** The Romanian economy showed strong signs of recovery in 2013.



PRIME MINISTER VICTOR PONTA, HAD A DISCUSSION WITH U.S. PRESIDENT BARACK OBAMA, IN JOHANNESBURG

PSD President, Prime Minister Victor Ponta, had a 15 minutes conversation with U.S. President Barack Obama in Johannesburg, at the end of the speech held by the leader from the White House, at the memorial ceremony held in honor of former South African President Nelson Mandela, according to official sources.

The sources explained that Barack Obama, at the end of his speech, turned to the distinguished visitor's gallery to greet senior officials. At the end of the greeting, Obama sought to leave the gallery, when former British Prime Minister Tony Blair introduced him to the Romanian Prime Minister, quoted sources also mentioned.

AGRIFOOD EXPORTS EXCEEDED IMPORTS IN THE FIRST 9 MONTHS OF 2013

In the first 9 months of 2013, the agrifood trade balance in Romania recorded a surplus of 3.2 million euros. It is a historic economic event - Romania became a net exporter of agricultural products for the first time after the Revolution.

This is one concrete positive effect of the effective measures taken by the Government in 2012 and 2013 in the field of agriculture. In its short governing time, the USL Executive successfully reduced the VAT on bread; supported agriculture and farmers, with significant payments, including subsidies blocked by PDL; increased exports of meat; started



European projects for the rehabilitation of the irrigation system and began building warehouses for fruits and vegetables.

For domestic production, there measures to support organic agriculture have been taken (**Romania was declared country of year at the Bio Fair in Germany**). In addition, **the National Agency for Land Improvement may act, from 2014, as an energy supplier**, buying directly from the manufacturer. **Irrigation water price will be reduced by 20-25%.**

THE PRIME MINISTER OF THE REPUBLIC OF MOLDOVA WILL VISIT BUCHAREST

Prime Minister Victor Ponta is about to welcome the Prime Minister of Moldova, Iurie Leanca, at the Victoria Palace. In a gesture that symbolizes **the excellent relationship between the two Governments**, the Moldovan Prime Minister will also attend the opening session of the Romanian Government. Romania is increasingly supporting the efforts of the Republic Moldova towards European integration.

Government figures have emphasized the completion of various projects for the Republic of Moldova: the Iasi-Ungheni pipeline; building a SMURD-like system in the Republic of Moldova, which will act on both sides of the river Prut; resuming TVR transmissions in the Republic of Moldova; 5500 places offered for the 2013 -2014 academic year; 20 million Euros for developing Education in the Republic of Moldova; completing the Falciu-Gotesti and the Suceava-Balti aerial electrical lines; coupling the energy system in the Republic of Moldova to the European ENTSO-E network; installing optic fiber between Isaccea and Chisinau.



PRESIDENT TRAIAN BASESCU HAS PROMULGATED THE BUDGET

Government officials have shown satisfaction with President Traian Basescu's decision to pass the budget. They stressed that the adoption of the budget brings stability, at the end of the year with the best economic performances, after the crisis of 2008, a year in which no unnecessary sacrifices were done, repairs continued to be made and growth started to exist.

They showed that Traian Basescu was persuaded to give up his personal ambition, which was only generating a blockage, instability and endanger all planned increases by USL for the Romanians. Thus, in 2014 USL will be able to pursue the public policies in the interest of the citizens. The great victory belongs to the citizens, because the Government cleared the egos, the petty calculations and the propaganda for the general good, Government officials stressed. USL understood that real political stake that we all have is to finish the repair and reconstruction project of Romania, showed the same actors.

Enactment of the budget means higher wages for medical residents and young teachers, increasing the minimum wage, increasing the minimum income guaranteed for farmers, subsidizing for agriculture workers and financing of infrastructure projects.

VICTOR PONTA AGREES THAT LAWMAKERS ARE NOT CIVIL SERVANTS, BUT DIGNITARIES RESPONSIBLE IN FRONT OF THE LAW

Prime Minister Victor Ponta, PSD President, said that he agreed that lawmakers, the President and other elected officials should not be considered civil servants, **but**



insisted that they should have a status that makes them responsible in front of the law.

'I looked today into the issue that the President and other elected parliamentarians should no longer be civil servants, with which I agree, but they should have a different status, of dignitaries, of people with public responsibilities, so that all laws, criminal, civil and administrative to apply to them', said Victor Ponta, at the NBR, after attending the seminar 'Romania investment. Romania development.'

In this context, the Prime Minister repeated the necessity of re-initiating these draft laws with the European Commission, in order to address any problems that may arise due to these laws. 'All lies and misinformation and propaganda (...) that we saw also last year and which was reactivated now, must remain without effect', said Victor Ponta.

The Prime Minister rejected the idea that he left for the funeral of former South African President, Nelson Mandela, so that he would not be linked to the laws passed in Parliament.

THE USL GOVERNMENT HAS ALREADY OPENED NEARLY 300 KM OF HIGHWAY

So far, during the current USL term, nearly 300 km of highway were completed (in 2012 and 2013). Last week, 70 kilometers were inaugurated - 3 out of the 4 sections of the Orastie-Sibiu highway.

For the region, for all those where the highway passes, economically speaking, the results will be seen soon. USL has demonstrated that it is able to make highways, to finance such investments, to create modern infrastructure for this country. **Yesterday's inauguration marks several first important infrastructure projects in Romania:**



Romania exceeded the 600 km highway threshold; the first highway tunnel in the country was inaugurated; the city of Sebes was rescued from the suffocating congestion thanks to the highway road.

Government officials have stressed that they will accelerate even further the development of the highway network by starting new projects with EU funds (accessible due to the tripled absorption in the past year) and by attracting private partners in financing the highways.

The constructors' selection for the future Sebes-Turda highway was already finalized, and work will begin in 2014 with completion within 2015. The Comarnic-Brasov highway is due to be signed. Government officials have reminded that all these big infrastructure projects have been conducted **after the current Executive unblocked the SOP Transport, locked by the EC because of the frauds identified in the contracts given by the former Government to constructors.**

THE ROMANIAN ECONOMY SHOWED STRONG SIGNS OF RECOVERY IN 2013

The signals in Romania's real economy are positive and show that the direction given by the mix of fiscal, budgetary and monetary policies is one for the future, Government sources stressed.

International voices also recognized the Romania's good track: an article published this week in The Economist confirms Romania's economic growth and the very good performances that we have - rising wages, strong economy, low deficits, investments in important areas.

One effect of the right direction was the lowering of interest bank rates for Romanians! **The interest rate at which banks borrow RONs from the monetary market, for**



three months, reached a new historic low of 2.5%/year, which means lower rates for borrowers starting next year. In 2013, strategic investments in the economy **amounted to 15 billion euros, creating additional 100,000 jobs between May 2012 - September 2013.**

2013 was heralded as the Year of Reconstruction by Government officials. **In 2013, Romania achieved the highest GDP in post-communist history, registering one of the highest economic growths in the EU.** Romania had the lowest budget deficit in 2013, since entering the EU and the lowest rate of inflation since 1989, the lowest current account deficit in the post-communist period and historically low yields on domestic and foreign loans.

Romania had the largest growth in industrial production in the EU, exports are at record levels, and in agriculture, record yields were registered. **Romania also had the largest growth in auto production in the EU.**