



# INFOPOLITIC

## Romanian Politics

28 October

Multimedia Foundation for Local  
Democracy



### IMPORTANT DEVELOPMENTS

1. **FOREIGN POLICY:** Victor Ponta, the only Romanian leader who reacts to Russia's aggressive message.
2. **ECONOMY:** Romania issued the first bonds in Euros on the foreign capital market at an interest rate below 3%.
3. **FOREIGN POLICY.** Victor Ponta had a phone conversation with US Vice President Joe Biden on regional issues.
4. **GOVERNMENT.** The Government approved the "First Car" Program.
5. **FINANCE.** The Government increases the allowance for family support
6. **POLLS.** Ponta, poised to win the presidential elections.
7. **PENSIONS.** Victor Ponta: As long as I am in an important office, money would not be cut any longer from the pensioners



---

## VICTOR PONTA, THE ONLY ROMANIAN LEADER WHO REACTS TO RUSSIA'S AGGRESSIVE MESSAGE

**Prime Minister Victor Ponta, PSD President, sent a "clear and firm" message on Romania's position in the context of the aggressive message sent by the representative of Russia to NATO, Aleksandr Grushko. "Our country cannot accept threats. (...) Romania supports the principle of sovereignty and territorial integrity of all countries and rejects any form of external pressure," emphasized the Prime Minister.**

The Moscow official warned that Russia will take measures in the context of the command takeover by the US military over the military base at Deveselu, adding that "the United States is gradually implementing its European missile defense program without taking into account the interests of regional security".

**In response, Victor Ponta said that "Romania is a NATO member and a trusted ally of the US and of the EU",** who "wants to have a balancing role in the region". The Russian Ambassador to NATO, a tough warning regarding the military base at Deveselu.

Romania's vocation is a pacifist one, believes the Prime Minister, who reiterated some of the national foreign policy objectives: "gaining energy independence, strengthening security in the Black Sea area and supporting the European integration path of the Republic of Moldova, Ukraine, Georgia, Serbia and other countries in the Balkans".

Furthermore, Victor Ponta said that "Romania is part of a European and transatlantic values system that cannot close its eyes to what happened in Crimea and to the violation of principles of international law", and "threats to security in the region do not help in finding solutions for better cooperation". **"The position of our country is a clear and firm one – we stand with our NATO allies, the US and the EU", concluded Victor Ponta.**



## ROMANIA ISSUED THE FIRST BONDS IN EUROS ON THE FOREIGN CAPITAL MARKET AT AN INTEREST RATE BELOW 3%

According to Standard & Poors, Romania has a country risk 3 times lower than in 2011 and half the amount compared to May 2012. **Government players stressed that this good news shows that the Romanian economy is increasingly strengthened**, and that Romania has an attractive investment climate.

The fact that Romania gets ever better conditions in bondholders, show trust from the investors and external credibility, as a result of the economic policies and the assessment of the evolution of fiscal consolidation and structural reforms adopted in the last two years, Government leaders stressed, who showed that through this transaction, **Romania partial pre-finances the external financing needs for the year 2015, strengthening the financial reserve in foreign currency.**

**The very good situation of the Romanian economy is confirmed also by Standard & Poors.** With a 9.3% risk of default, Romania is now more credible on the international markets than Greece (34.2% risk), Cyprus (29.6%), Croatia (16.4%), Portugal (13.8%), Hungary (11.2%) and Bulgaria (9.9%). In 2009-2011, Romania got into the Top 10 countries with the highest risk of default entry in the world according to Standard & Poors.

Standard and Poors position is also confirmed by the very good economic situation of Romania: **Economic growth of 2.6% compared to the first six months of 2013**; Increased industrial output by about 9%; the increase of the absorption rate is approximately 40%; doubling subsidies for agriculture, the growth of turnover of retail trade by about 8.6%.

**VICTOR PONTA HAD A PHONE CONVERSATION WITH US VICE**



## PRESIDENT JOE BIDEN ON REGIONAL ISSUES

The event was hailed by many Romanian media observers, **considering as relevant the fact that Ponta was considered a suitable interlocutor for the American side.** The same reports claim that the telephone conversation between Victor Ponta and US Vice President Joe Biden demonstrates that Victor Ponta is seen, at the moment, by Romania's strategic partners, as a dialogue partner between the US and our country.

The topics of the conversation were military cooperation, the Army, **the situation in the region, the strategic partnership between the two countries, along with the issue of Afghanistan.** It comes shortly after the visit to the US by PM Ponta.

## THE GOVERNMENT APPROVED THE "FIRST CAR" PROGRAM

**The Government approved on Wednesday an emergency ordinance on the buying stimulation program of new cars,** informs the Press Office of the Executive.

**Prime Minister Victor Ponta said during the Government meeting last week that the "First Car" Program will enter into force on November 1, 2014** and takes into account three important objectives: supporting especially young people who want to buy a car, supporting the purchase of environmentally friendly cars and encouraging, as much as the European legislation allows, domestic production.

**The Romanian State will guarantee half the value of a credit of up to 50,000 lei,** plus VAT, that individuals will be able to access, especially young people between 18 and 35 years, for the purchase of a new car.

## THE GOVERNMENT INCREASES THE ALLOWANCE FOR FAMILY SUPPORT



The Minister of Labor, Family, Social Protection and the Elderly, Rovana Plumb, **announced that the measure targets 284,000 families with a net monthly income of up to 530 lei per family member and will come into effect from November 1.**

'We have decided to increase the allowances for family support for 500,000 children (...). This increase will be by 42 lei per child for all 500,000 children from poor families, that is each family member having up to 530 lei. (..) The budgetary impact for the 500,000 children means 20 million for 2014, and 245 million for 2015", the Minister said.

**Rovana Plumb pointed out that it is not about the increase of the state allowance for children, but only that for family support.**

'All the other kids will receive 42 RON, as stipulated in the legislation regarding state allowance", said the Minister of Labor. According to her, through the same law was approved also the 'equal treatment for all children who are in the special protective system, respectively for the children who are in care families, foster care, and who receive 97 lei. From November 1, they will receive 440 lei, just as children who are cared for by maternal assistants'. Rovana Plumb explained that the measure targets 20,000 children, **and the budgetary effort is of 6.5 million lei per month.**

## **PONTA, POISED TO WIN THE PRESIDENTIAL ELECTIONS**

**59% of the Romanians say that they will vote in the first round of the presidential election, 40.6% of them saying they would vote for the PSD leader, Victor Ponta, and 30.1% - with Klaus Iohannis, PNL President, shows an INSCOP survey conducted between 2 and 8 October, released Wednesday.**

The survey shows that on the third place in the first round would be Elena Udrea with 6.7%, followed by Calin Popescu Tariceanu (6.2%), Theodor Melescanu (4.6%), Monica Macovei (4.6%),



Kelemen Hunor (2.5%), Dan Diaconescu (2%), Corneliu Vadim Tudor (1.7%). The other candidates – Gheorghe Funar, Zsolt Szilagy, William Brinza, Constantin Rotaru, Mirela Mircea Amaritei - are quoted with 1% of the vote.

**In the second round, Victor Ponta would win the presidential elections with 53.5% of the votes**, and Klaus Iohannis would get 46.5%. The reporting data is from a sample of 74.5% of the population who indicated an option.

**With regard to the turnout in the first round of the presidential elections, 59% of the respondents said they will definitely vote**, compared with 48.6% in July and 55.7% in September. 14.1% said they are likely to vote, compared to 14.7% in September and 17.3% in July. 1.8% said they will probably not vote, compared with 3.8% in September and 7.9% in July. 5.4% said they certainly will not vote, compared to 6.3% in September and 6.4% in July. 17.4% said they are not yet determined whether to vote, compared to 16% in September and 15.9% in July, while 2.3% did not know or did not respond, compared to 3.6% in September and 3.8% in July.

In the second round, 65.8% of the voters of other candidates than finalists Victor Ponta and Klaus Iohannis said they would vote. On the other hand, 16% said firmly that they would not vote if their favorite candidate does not qualify in the second round, and 18.2% did not know or did not answer this question.

The survey is conducted by INSCOP Research at the request of the daily Adevărul, on a sample of 1,095 people, and is representative for the Romanian population of 18 years and over 18 years. The survey has a maximum permissible error of  $\pm 3\%$  of the data, at a confidence level of 95%. The method used was the survey based on a questionnaire applied by interviewers at the respondents' home.

**A CSCI survey also shows that Victor Ponta is in front of Iohannis even in Bucharest (53% for Victor Ponta vs. 47% for Bad-luck**



Iohannis - data measured ONLY in Bucharest), an area with more PNL and PDL voters than the national average.

**Also, a Sociopol survey conducted between 18 and 20 October 2014, on a sample of 1003 people, with a margin of error of 3.2%, points to Victor Ponta as the winner of the second round of the presidential elections.** According to the study, he would be voted by 41% of the respondents in the first round, respectively by 55% in the perspective of a confrontation in the second round of the elections with Klaus Iohannis (28% in the first round, 45% in the second).

## **THE PONTA GOVERNMENT, THE MOST EFFECTIVE AFTER 1996, ACCORDING TO THE WORLD BANK**

**According to a World Bank report, Romania has made a quantum leap between 2012 and 2013, of nearly 10%, at the 'Government Effectiveness' indicator.** The recorded value of 52.6% is higher than the score obtained by our country each year after 1996.

The report (The Worldwide Governance Indicators) gathers relevant data about the situation in 215 countries, in which six indicators are aggregated. **The most important is the 'Government Effectiveness' indicator that captures public perception of public services quality, the quality of the civil services and the degree of independence from political pressures, of the quality and implementation of public policies, as well as the credibility of the Government's commitment to such policies.**

**In fact, five of the six indicators of the Global Governance Index, respectively the Political Stability and Absence of Violence, Government Effectiveness, Regulation Quality, Rule of Law and Control of Corruption, are rising in 2013, compared to 2012.** The only category that showed a decrease is representation and accountability.



The assessment made in the World Bank report confirms that the efforts made by the Ponta cabinet towards improving the efficiency of the Government have been successful, and Romania's course falls back on an upward trend after the economic crisis and the catastrophic PDL government canceled completed the economic boom from 2005 to 2008.

## VICTOR PONTA: AS LONG AS I AM IN AN IMPORTANT OFFICE, MONEY WOULD NOT BE CUT ANY LONGER FROM THE PENSIONERS

**Prime Minister Victor Ponta said in Galati, that pensioners do not have to fear in the future that their pensions will be cut.**

'Here, in Galati, are the ones who suffered the most by removing the rights they had in the working groups I, II and special. I told them that in Romania, as I will be in an important position, money would not be cut any longer from the pensions. **This year and in the following years, we will apply the law, we will keep our word to index the pensions** and all that it has been unlawfully taken from them by Basescu, Boc, Predoiu, Anastase and the whole band that is now around Iohannis, they will get back 'said the PM.

**'From my point of view, as I did as PM I will also say as President: the pensioners are not socially assisted, but on the contrary, they are those who have worked, paid contributions, have built this country** and, as we were able to reach a balance between the number of workers with employment contracts and the number of pensioners, we can keep the actions for the retirees. In plain Romanian, I was the first who gave back the pensions, who has increased them and I will support future Governments to do the same. Mr. Băsescu, Iohannis, Anastase, cut pensions and will cut further. It says in their Government program and we should not let them do what they did in 2010", said Ponta.