

NATIONAL
BANK OF
ROMANIA

Foreign Direct Investment in Romania in 2018

FOREIGN
DIRECT INVESTMENT
IN ROMANIA
in 2018

NOTE

The paper was completed on 24 September 2019
by the Statistics Department within the National Bank of Romania.

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ISSN 2537-3730 (online)

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METHODOLOGICAL ISSUES ON FOREIGN DIRECT INVESTMENT STATISTICS

The statistical survey on foreign direct investment in Romania in 2018 was conducted by the National Bank of Romania and the National Institute of Statistics in compliance with the methodology in the International Monetary Fund (IMF) Balance of Payments and International Investment Position Manual, Sixth Edition (BPM6)¹.

- **Foreign direct investment:** long-term investment relationship between a resident and a non-resident entity; it usually involves a significant degree of influence exerted by the investor on the management of the direct investment enterprise in which he has invested.

Foreign direct investment includes the paid-up capital and the reserves related to a non-resident investor holding at least 10 percent of the voting power or of the subscribed share capital of a resident enterprise, the loans between the investor or the group to which the investor belongs and the resident direct investment enterprise, as well as the reinvestment of earnings.

According to the BPM6 methodology, foreign direct investment also includes equity investment and loans from non-resident enterprises whose voting power or equity participation in the resident enterprise is less than 10 percent, but which belong to the same group as the foreign direct investor in the resident company (fellow enterprises).

Resident enterprises on which a non-resident investor has indirect significant influence are also considered foreign direct investment. This includes resident subsidiaries and associates of a resident enterprise in which a non-resident investor holds at least 10 percent of the subscribed share capital (indirect direct investment enterprises).

- **Foreign direct investor:** legal entity, individual or group of related entities holding at least 10 percent of the voting power or the subscribed share capital (or of the endowment/working capital in case of unincorporated entities) in an enterprise located outside the country of residence.
- **Direct investment enterprise:** an incorporated or unincorporated resident enterprise in which a non-resident investor holds at least 10 percent of the voting power or of the subscribed share capital, or of the endowment/working capital in case of unincorporated entities (branches). Holding at least 10 percent of the voting power or of the subscribed share capital, or of the endowment/working capital, is the prerequisite for the establishment of the direct investment relationship.
- **Indirect direct investment enterprise:** an incorporated resident enterprise in which a foreign direct investor holds, via a direct investment enterprise, at least 10 percent

¹ For more details on FDI data compiling methodology, see: [Implementarea noilor standarde metodologice in statisticile elaborate de BNR](#) (in Romanian only).

of the voting power or of the subscribed share capital. Indirect direct investment enterprises are subsidiaries or associates of direct investment enterprises. Subsidiaries are resident enterprises in which direct investment enterprises hold more than 50 percent of the voting power or of the subscribed share capital. Associates are resident enterprises in which direct investment enterprises hold between 10 percent and 50 percent of the voting power or of the subscribed share capital.

- **Fellow enterprises:** enterprises belonging to the same group, residing in different countries and not having a direct control or influence relationship (meaning that neither of them holds at least 10 percent of the voting power or of the subscribed share capital of the other).
- **Reverse direct investment:** the investment relationship opposite to the foreign direct investment between a resident direct investment enterprise and a foreign direct investor, where the former holds less than 10 percent of the voting power or of the share capital of the foreign direct investor.

Foreign direct investment components:

- **Equity:** includes subscribed and paid-up capital, both in cash and through in-kind contributions, held by non-residents in resident enterprises, as well as the related share in reserves; in the case of branches, the available endowment/working capital is taken into account.
- **Debt instruments:** the direct investment enterprise's borrowings from the foreign direct investor or the group of non-resident companies the direct investor belongs to, net of the lending by the direct investment enterprise either to the foreign direct investor or to another entity within the group of companies. Debt instruments are grouped into two categories i.e. financial debt (standard financial loans, debt securities, revolving loans, financial leasing, overdraft facilities, cash pooling etc.) and trade debt (intercompany trade credit, trade advances, other accounts receivable/payable), regardless of maturity.

Debt between affiliated financial intermediaries (credit institutions, non-bank financial institutions) is not considered direct investment.

Types of foreign direct investment (by contribution to the equity flows in direct investment enterprises):

- **Greenfield:** establishment of enterprises by or together with foreign investors (*ex nihilo* investment).
- **Mergers and acquisitions:** partial or full takeover of enterprises by foreign investors from residents.
- **Corporate development:** increase in equity holdings of foreign investors in direct investment enterprises.

- **Corporate restructuring:** equity investment by foreign investors in direct investment enterprises which incurred losses in order to turn them to profitability.

RESULTS OF THE 2018 STATISTICAL SURVEY ON FOREIGN DIRECT INVESTMENT IN ROMANIA

1. FDI NET FLOWS IN 2018

In 2018, FDI net flows stood at EUR 5,266 million, out of which:

- Foreign direct investors' equity in direct investment enterprises in Romania worth EUR 5,546 million. Equity included equity capital in FDI enterprises worth EUR 2,973 million, plus reinvestment of earnings worth EUR 2,573 million. Reinvestment of earnings resulted from the after-tax profit of profitable FDI enterprises amounting to EUR 8,930 million, less the distributed dividends worth EUR 3,551 million and the loss of EUR 2,807 million of FDI enterprises that incurred losses in 2018. Calculations are made in compliance with the international methodology for determining reinvestment of earnings of FDI enterprises (BPM6).
- Debt transactions of direct investment enterprises with their foreign direct investors, loans from fellow companies included, stood at EUR -280 million (lending to direct investors exceeded borrowing from direct investors). Both long-term and short-term instruments are included.

The Annex shows the FDI net flows and their components (equity capital, reinvestment of earnings and debt transactions from investors) by FDI enterprises' economic activity. The analysis of these data reveals the following:

- In 2018, FDI net flows went primarily to trade (EUR 1,580 million), followed by manufacturing (EUR 1,362 million). The main industrial sub-sectors benefiting from foreign direct investment were transport equipment (EUR 337 million), food, beverages and tobacco (EUR 329 million) and oil processing, chemical, rubber and plastic products (EUR 205 million). Other economic activities which received large FDI inflows were financial intermediation and insurance (EUR 896 million), and construction and real estate transactions (EUR 581 million).
- The following sectors reported the largest equity capital (capital increases): manufacturing (EUR 1,016 million), construction and real estate transactions (EUR 594 million) and trade (EUR 335 million).

- The highest values for reinvestment of earnings were recorded by manufacturing (EUR 991 million), trade (EUR 843 million) and financial intermediation and insurance (EUR 592 million).
- In 2018, the intercompany net debt transactions made a negative contribution (EUR -280 million) compared to a positive contribution of EUR 829 million in 2017. By economic activity of FDI enterprises, the main sector that benefited from financing via intercompany lending was trade (EUR 401 million).

2. FDI STOCK AS AT END-2018

As at end-2018, the FDI stock amounted to EUR 81,124 million. The result was calculated by adding to the FDI stock at the end of the previous year the FDI net flows (transactions) and the other flows (components leading to stock changes, namely positive/negative adjustments arising from revaluations of foreign currency assets – following the changes in the exchange rate, the revaluation of some tangible fixed asset prices, as well as the changes in the market value of listed FDI enterprises – changes in the accounting treatment of opening positions and data corrections in the previous statistical reports).

Equity positions (including the accumulated reinvestment of earnings) of FDI enterprises amounted to EUR 57,479 million (70.85 percent of the FDI stock) at end-2018 and debt positions in relation to direct investors (fellow debt included) reached EUR 23,645 million, i.e. 29.15 percent of the closing FDI stock.

Debt positions are calculated as FDI enterprises' borrowings from foreign direct investors, including from non-resident companies in the group the direct investor belongs to (EUR 31,600 million), net of the loans granted by FDI enterprises to foreign direct investors and the non-resident companies in the group the direct investor belongs to (EUR 7,955 million).

Debt positions as at 31 December 2018

	EUR million
Debt positions	23,645
Borrowing	31,600
Financial	25,435
Trade	6,165
Lending	7,955
Financial	3,418
Trade	4,537

2.1. FDI stock distribution by main economic activity

By economic activity (according to NACE Rev. 2), 41.1 percent of FDI stock were channelled to industry, primarily to manufacturing (30.9 percent of total FDI stock), out of which the largest recipients were: transport equipment (6.7 percent of total FDI stock), oil processing, chemical, rubber and plastic products (6.4 percent), and metallurgy (3.9 percent). Another industrial activity, i.e. electricity, gas and water supply, accounted for 7.4 percent of total FDI stock.

Other activities that also attracted significant FDI were construction and real estate transactions (16.8 percent of FDI stock), trade (15.8 percent), financial intermediation and insurance (11.5 percent).

Foreign direct investment stock in Romania by main economic activity as at 31 December 2018

	EUR million	% of total FDI
TOTAL	81,124	100.0
Industry	33,311	41.1
Mining	2,273	2.8
Manufacturing	25,032	30.9
– food, beverages and tobacco	2,678	3.3
– cement, glassware, ceramics	1,497	1.8
– wood products, including furniture	1,398	1.7
– manufacture of computer, electronic, optical and electrical products	1,942	2.4
– machinery and equipment	1,834	2.3
– metallurgy	3,163	3.9
– transport equipment	5,441	6.7
– oil processing, chemical, rubber and plastic products	5,175	6.4
– textiles, wearing apparel, leather goods	1,018	1.3
– other manufacturing sub-sectors	886	1.1
Electricity, gas and water supply	6,006	7.4
Professional, scientific, technical and administrative activities and support services	3,991	4.9
Agriculture, forestry and fishing	2,406	3.0
Trade	12,865	15.8
Construction and real estate transactions	13,651	16.8
Accommodation and food service activities	528	0.6
Financial intermediation and insurance	9,308	11.5
Information and communications technology	3,321	4.1
Transportation	1,281	1.6
Other	462	0.6

2.2. Direct investment enterprises – tangible and intangible fixed assets

Given the substantial contribution of tangible and intangible fixed assets to economic growth, along with the related long-term nature of FDI, the statistical survey was aimed at determining the weight of these investment categories in the total FDI stock at end-2018, as well as their distribution by main economic activity.

It should be noted that tangible and intangible fixed assets, which totalled EUR 36,459 million and held 44.9 percent of total FDI stock at end-2018, point to considerable foreign direct investment stability.

Substantial FDI in tangible and intangible fixed assets covered: industry (23.9 percent of total FDI), out of which the largest recipient was manufacturing (17.0 percent of total FDI); construction and real estate transactions (7.8 percent); and trade (5.9 percent).

Foreign direct investment in Romania – tangible and intangible fixed assets – by main economic activity as at 31 December 2018

	EUR million	% of total FDI
TOTAL	36,459	44.9
Industry	19,336	23.9
Mining	2,072	2.6
Manufacturing	13,815	17.0
– food, beverages and tobacco	1,613	2.0
– cement, glassware, ceramics	916	1.1
– wood products, including furniture	632	0.8
– manufacture of computer, electronic, optical and electrical products	1,136	1.4
– machinery and equipment	1,109	1.4
– metallurgy	1,387	1.7
– transport equipment	3,700	4.6
– oil processing, chemical, rubber and plastic products	2,384	2.9
– textiles, wearing apparel, leather goods	500	0.6
– other manufacturing sub-sectors	438	0.5
Electricity, gas and water supply	3,449	4.3
Professional, scientific, technical and administrative activities and support services	664	0.8
Agriculture, forestry and fishing	1,362	1.7
Trade	4,809	5.9
Construction and real estate transactions	6,299	7.8
Accommodation and food service activities	344	0.4
Financial intermediation and insurance	1,440	1.8
Information and communications technology	1,269	1.5
Transportation	725	0.9
Other	211	0.2

2.3. FDI stock geographical distribution

FDI stock distribution by development region

From a territorial point of view, FDI went mainly to the BUCHAREST-ILFOV region (60.7 percent). Other development regions which attracted significant FDI inflows were: the CENTRE region (9.0 percent), the WEST region (8.6 percent), the SOUTH-MUNTENIA region (6.3 percent), and the NORTH-WEST region (5.7 percent).

Foreign direct investment in Romania by development region as at 31 December 2018

	EUR million	% of total FDI
TOTAL	81,124	100.0
BUCHAREST-ILFOV	49,250	60.7
CENTRE	7,331	9.0
WEST	6,948	8.6
SOUTH-MUNTENIA	5,136	6.3
NORTH-WEST	4,610	5.7
SOUTH-EAST	3,447	4.2
SOUTH-WEST OLTENIA	2,478	3.1
NORTH-EAST	1,924	2.4

It should be noted that FDI were territorially located by the registered office of the direct investment enterprises, which is not necessarily the same as their business place.

Box. FDI stock distribution by county for the FDI enterprises that were subject to comprehensive survey (enterprises with at least 20 employees and atypical enterprises)

This statistical survey ensures representative results at national and development region level, therefore the total end-of-year FDI stock cannot be broken down at county level.

Nonetheless, the FDI enterprises that were subject to comprehensive survey account for 93.1 percent of the total FDI stock. The FDI enterprises subject to comprehensive survey are those with at least 20 employees and those referred to as atypical, namely direct investment enterprises having less than 20 employees and whose turnover or share capital was more than lei 30 million, or which took long-term loans from their foreign direct investors or non-resident fellow enterprises of more than lei 15 million (see the notes on the sample at the end of this paper).

FDI stock distribution by county for the FDI enterprises with at least 20 employees and for the atypical enterprises as at 31 December 2018

	EUR million
TOTAL	75,502
Alba	828
Argeş	1,233
Arad	1,011
Bacău	458
Bihor	700
Bistriţa-Năsăud	116
Brăila	131
Botoşani	76
Braşov	2,597
Bucureşti	41,273
Buzău	422
Cluj	1,939
Călăraşi	353
Caraş-Severin	162
Constanţa	1,852
Covasna	131
Dâmboviţa	334
Dolj	1,267
Gorj	3
Galaţi	844
Giurgiu	226
Hunedoara	393
Harghita	111
Ifov	4,451
Ialomiţa	301
Iaşi	460
Mehedinţi	16
Maramureş	637
Mureş	1,674
Neamţ	228
Olt	942
Prahova	2,481
Sibiu	1,476
Sălaj	406
Satu Mare	502
Suceava	447
Tulcea	168
Timiş	4,359
Teleorman	87
Vâlcea	194
Vrancea	121
Vaslui	92

2.4. FDI stock distribution by country of origin

The breakdown of FDI stock by country of origin took into account the country of origin of the direct holder of at least 10 percent of the share capital of resident FDI enterprises in Romania (consistent with the immediate country basis²).

The top five countries by share of FDI stock as at 31 December 2018 were: the Netherlands (23.9 percent of the FDI stock at end-2018), Germany (12.7 percent), Austria (12.2 percent), Italy (9.5 percent) and Cyprus (6.2 percent). Regarding the ranking of the top five countries, Italy consolidated its fourth position, while Cyprus surpassed France, climbing to the fifth place.

Foreign direct investment in Romania by country of origin as at 31 December 2018

	EUR million	% of total FDI
TOTAL	81,124	100.0
The Netherlands	19,389	23.9
Germany	10,298	12.7
Austria	9,915	12.2
Italy	7,669	9.5
Cyprus	5,015	6.2
France	4,919	6.0
Switzerland	3,641	4.5
Luxembourg	3,439	4.2
Belgium	2,276	2.8
United Kingdom	1,711	2.1
Czechia	1,639	2.0
Spain	1,634	2.0
Greece	1,335	1.6
Hungary	1,223	1.5
Poland	786	1.0
Denmark	730	0.9
Sweden	626	0.8
Turkey	577	0.7
United States	542	0.7
Japan	424	0.5
Ireland	401	0.5
Israel	313	0.4
Bulgaria	284	0.4
Portugal	263	0.3
United Arab Emirates	260	0.3
Norway	219	0.3
Virgin Islands, British	171	0.2
Malta	144	0.2
Canada	130	0.2
South Korea	105	0.1
Serbia and Montenegro	101	0.1
Other countries*	945	1.2

* countries whose investment was less than EUR 100 million

² According to this principle, the country of origin of the investment is the country of the direct holder of the equity participation.

3. TYPES OF FDI

In 2018, the flows of equity capital into FDI enterprises amounted to EUR 2,973 million, being divided into: greenfield, mergers and acquisitions, corporate development and corporate restructuring.

Greenfield investment and mergers and acquisitions (M&A), in keeping with the trend recorded in the past years, stood at a very low level. Thus, the equity capital of foreign investors in newly incorporated enterprises (greenfield investment) was only EUR 43 million and the equity capital in FDI enterprises acquired through mergers and acquisitions equalled EUR 165 million.

The largest shares in the flows of equity capital into FDI enterprises were held by corporate restructuring (EUR 1,719 million, i.e. 58 percent of total equity capital in 2018) and corporate development (EUR 1,046 million, i.e. 35 percent of total equity capital).

Regarding the FDI stock, it should be noted that 63.0 percent of total, i.e. EUR 51,150 million, is attributed to enterprises established as greenfield investment companies referred to as greenfield enterprises. This highlights the lasting impact of greenfield investment on the economy.

The breakdown of FDI stock into greenfield enterprises by main economic activity showed that manufacturing was the main recipient, accounting for 28.9 percent of total. Other sectors holding a significant share in such investment were construction and real estate transactions (19.0 percent), trade (17.6 percent), and financial intermediation and insurance (9.3 percent).

The bulk of FDI in greenfield enterprises went, as in the case of total FDI, to the BUCHAREST-ILFOV region (61.2 percent), followed by the CENTRE region (11.3 percent), the WEST region (10.1 percent) and the NORTH-WEST region which accounted for 6.1 percent of the FDI stock in greenfield enterprises.

The same as in the case of total FDI, the Netherlands holds the largest share of FDI in greenfield enterprises (21.4 percent), followed by Germany (17.7 percent), Austria (9.3 percent) and Italy (8.4 percent of the FDI stock in greenfield enterprises) – see the Charts section.

4. INCOME FROM FDI

In 2018, foreign direct investors' net income amounted to EUR 6,795 million. Net income includes net earnings from equity and net income from interest.

Net earnings from equity ran at EUR 6,123 million, representing the after-tax profit of profitable FDI enterprises, in amount of EUR 8,930 million, less the loss of EUR 2,807 million of FDI enterprises that incurred losses.

After subtracting the dividends distributed in 2018 worth EUR 3,551 million from the net earnings from equity, the reinvested earnings for all FDI enterprises amounted to EUR 2,573³ million (computed according to BPM6).

Net income from interest computed as the difference between the interest received by foreign direct investors on loans granted to their enterprises in Romania – either directly or via non-resident fellow companies – and the interest paid by foreign direct investors on the loans taken from their enterprises in Romania – either directly or via non-resident fellow companies – stood at EUR 672 million.

5. DIRECT INVESTMENT ENTERPRISES' TURNOVER AND NUMBER OF EMPLOYEES

The tables below show the developments in the FDI enterprises' turnover and the average annual number of employees in these enterprises from 2009 to 2018.

Turnover of FDI enterprises

EUR million			
Year	Direct investment enterprises	Indirect direct investment enterprises	Total direct investment enterprises
2009	109,907	6,515	116,422
2010	112,851	9,307	122,158
2011	123,974	13,524	137,498
2012	125,473	14,137	139,610
2013	129,615	12,587	142,202
2014	131,820	9,685	141,505
2015	133,076	10,792	143,868
2016	137,832	10,532	148,364
2017	152,217	12,588	164,805
2018	165,607	13,182	178,789

Average number of employees in FDI enterprises

thousand persons			
Year	Direct investment enterprises	Indirect direct investment enterprises	Total direct investment enterprises
2009	1,084	54	1,138
2010	1,055	71	1,126
2011	1,075	74	1,149
2012	1,102	67	1,169
2013	1,083	64	1,147
2014	1,124	60	1,184
2015	1,165	63	1,228
2016	1,205	59	1,264
2017	1,244	65	1,309
2018	1,252	64	1,316

³ Differences between the total and individual components are due to rounding.

Compared to 2017, the FDI enterprises' turnover went up by 8.5 percent to more than EUR 179 billion and the average number of employees rose by around 0.5 percent to 1,316 thousand persons.

6. EXPORTS AND IMPORTS OF DIRECT INVESTMENT ENTERPRISES

The activity of direct investment enterprises as a whole has had a positive impact on Romania's foreign trade, their contribution to total exports and total imports of goods standing at 75.0 percent and 68.2 percent, respectively. At the same time, direct investment enterprises account for 52.7 percent of exports of services and 47.5 percent of imports thereof.

In the table below, exports and imports of goods are aggregated based on the main activity of direct investment enterprises, according to NACE Rev. 2.

6.1. Direct investment enterprises' exports and imports of goods⁴

	Exports (FOB)			Imports (CIF)		
	FDI enterprises (EUR million)	(% FDI enterprises		FDI enterprises (EUR million)	(% FDI enterprises	
		in total economy*	in total sector		in total economy*	in total sector
TOTAL	48,510	75.0	75.0	53,668	68.2	68.2
Industry	44,426	68.7	81.1	36,268	46.1	81.9
Mining	548	0.8	87.6	478	0.6	86.0
Manufacturing	43,407	67.1	81.1	35,338	44.9	82.1
- food, beverages and tobacco	954	1.5	58.4	1,809	2.3	65.6
- cement, glassware, ceramics	281	0.4	70.4	357	0.5	67.5
- wood products, including furniture	1,799	2.8	67.0	657	0.8	69.3
- manufacture of computer, electronic, optical and electrical products	5,268	8.1	78.9	4,563	5.8	80.9
- machinery and equipment	3,838	5.9	93.9	2,871	3.7	91.4
- metallurgy	4,188	6.5	88.0	2,477	3.2	80.4
- transport equipment	17,826	27.6	83.8	12,805	16.3	88.4
- oil processing, chemical, rubber and plastic products	5,371	8.3	86.8	6,918	8.8	86.4
- textiles, wearing apparel, leather goods	3,281	5.1	67.3	2,329	3.0	68.1
- other manufacturing sub-sectors	601	0.9	63.8	552	0.7	54.4
Electricity, gas and water supply	471	0.7	70.7	452	0.6	63.3
Professional, scientific, technical and administrative activities and support services	145	0.2	28.0	381	0.5	37.8
Agriculture, forestry and fishing	195	0.3	32.6	123	0.2	16.0
Trade	3,577	5.5	43.8	16,108	20.5	53.3
Construction and real estate transactions	51	0.1	32.6	172	0.2	32.2
Accommodation and food service activities	1	0.0	15.9	12	0.0	22.2
Financial intermediation and insurance	3	0.0	73.2	98	0.1	39.0
Information and communications technology	42	0.1	52.1	330	0.4	63.6

⁴ Data on exports and imports of goods are compiled by the National Institute of Statistics. Goods imported for processing and exports of such goods after processing are also included in the data.

–continued–

	Exports (FOB)			Imports (CIF)		
	FDI enterprises (EUR million)	(% FDI enterprises)		FDI enterprises (EUR million)	(% FDI enterprises)	
		in total economy*	in total sector		in total economy*	in total sector
Transportation	64	0.1	21.9	120	0.2	16.9
Other	6	0.0	9.4	56	0.1	20.0

* excluding exports and imports of NACE Rev. 2 divisions: 84 – Public administration, 94 – Activities of membership organisations, 97/98 – Activities of households as employers and 99 – Activities of extraterritorial organisations and bodies.

As for the breakdown of the aggregate international trade in goods balance of FDI enterprises by economic activity, manufacturing is the main sector that recorded a trade surplus (EUR 8,069 million), due particularly to transport equipment (EUR 5,021 million surplus), metallurgy (EUR 1,711 million surplus), wood products, including furniture (EUR 1,142 million surplus), machinery and equipment (EUR 967 million surplus), textiles, wearing apparel and leather goods (EUR 952 million surplus), and manufacture of computer, electronic, optical and electrical products (EUR 705 million surplus). It should be noted that trade surpluses were also recorded by FDI enterprises operating in agriculture, forestry and fishing (EUR 72 million surplus), mining (EUR 70 million surplus) and in electricity, gas and water supply (EUR 19 million surplus). The highest trade deficit was recorded by FDI enterprises operating in trade (EUR 12,531 million), followed by FDI enterprises operating in oil processing, chemical, rubber and plastic products (EUR 1,547 million deficit) and food, beverages and tobacco (EUR 855 million deficit).

6.2. Direct investment enterprises' exports and imports of services⁵

The table below shows the FDI enterprises' contribution to exports and imports of services in 2018:

	Exports		Imports	
	FDI enterprises (EUR million)	FDI enterprises in total economic activity (%)	FDI enterprises (EUR million)	FDI enterprises in total economic activity (%)
Total services	12,222	52.7	6,910	47.5
Manufacturing	2,026	69.0	132	72.7
Transportation, of which:	2,389	34.6	1,384	47.2
Freight transport by road	1,951	35.9	760	63.0
Telecommunications, computer and information services	3,548	74.0	1,176	56.3
Other business services*	3,636	74.3	2,732	69.0
Other	623	17.0	1,486	27.6

*"Other business services" includes "Research and development services", "Professional and management consulting services" and "Technical, trade-related, and other business services n.i.e."

⁵ Data on exports and imports of services are compiled by the National Bank of Romania, in compliance with the BPM6 methodology.

Analysing the balance on international trade in services, broken down by type of service, it can be noticed that the highest export values were recorded by other business services (EUR 3,636 million), followed by telecommunications, computer and information services (EUR 3,548 million) and transportation (EUR 2,389 million).

As for imports, the highest values were recorded by other business services (EUR 2,732 million), other services (EUR 1,486 million), transportation (EUR 1,384 million) and telecommunications, computer and information services (EUR 1,176 million).

The sample of the FDI Survey

Out of the total number of 37,618 direct investment enterprises, 8,144 entities were surveyed (either via comprehensive or random survey).

A number of 6,887 FDI enterprises were subject to a comprehensive survey, including enterprises with at least 20 employees (5,527 entities), all the credit institutions with foreign capital (29 entities), all the insurance companies with foreign capital (37 entities), as well as the enterprises referred to as atypical, namely all the direct investment enterprises with less than 20 employees whose turnover or share capital was of at least lei 30 million or which took long-term loans of at least lei 15 million from their foreign direct investors or from fellow companies (1,294 entities).

A sample of 752 companies out of the 6,881 FDI enterprises with 5 to 19 employees was subject to a random survey.

In addition, 505 indirect direct investment enterprises were subject to a comprehensive survey as well.

The response rate of the FDI survey was 97.66 percent.

The final results of the FDI survey in Romania at end-2018 (flows and stocks) have an error margin of ± 3 percent, a 95 percent confidence level being warranted for the key indicators.

The data in this paper are available [here](#).

Annex

FDI net flows in 2018 and its components by FDI enterprises' activity

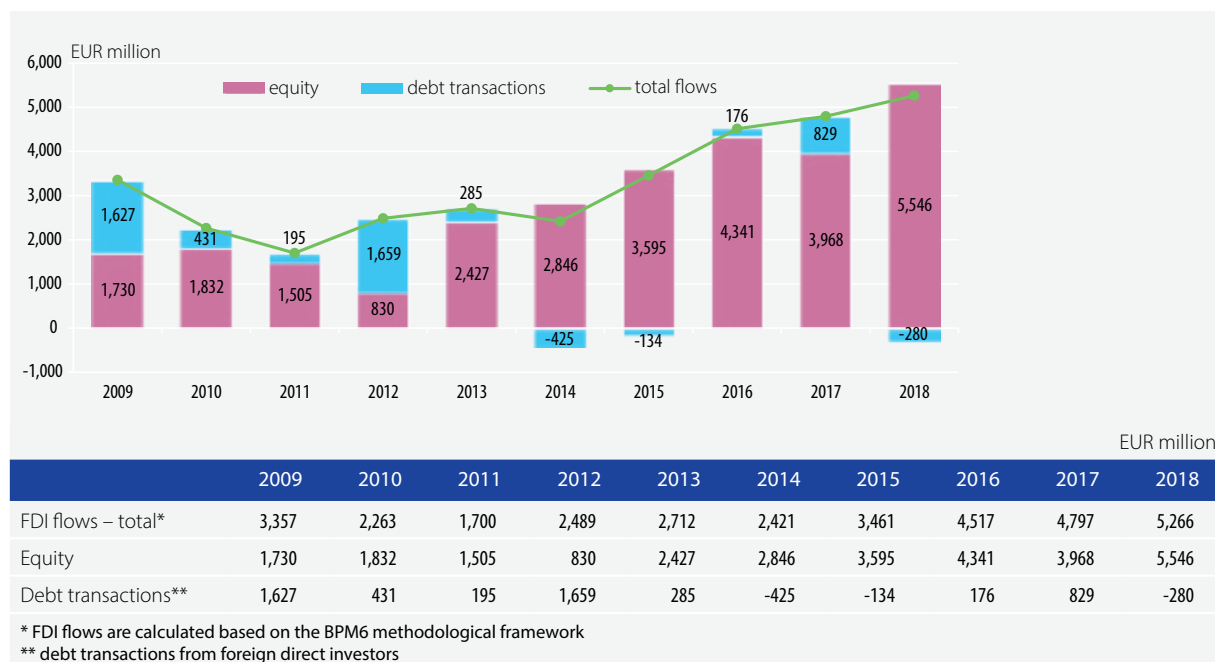
EUR million

ECONOMIC ACTIVITY	FDI net flows							
	Total	Equity						Debt transactions
		Total	Equity capital	Reinvestment of earnings				
				Total	Profit	Loss	Dividends	
1=2+8	2=3+4	3	4=5-6-7	5	6	7	8	
Industry	1,546	2,293	1,301	992	3,709	1,167	1,549	-747
Mining	314	305	165	140	476	195	141	8
Manufacturing	1,362	2,007	1,016	991	2,981	732	1,258	-645
- food, beverages and tobacco	329	355	434	-78	319	126	272	-26
- cement, glassware, ceramics	36	21	-19	40	169	14	115	16
- wood products, including furniture	57	-45	-22	-23	80	69	34	102
- manufacture of computer, electronic, optical and electrical products	72	120	71	49	206	59	98	-48
- machinery and equipment	-46	103	5	98	266	30	138	-149
- metallurgy	139	-165	-163	-2	266	99	169	304
- transport equipment	337	1,210	560	649	958	165	143	-873
- oil processing, chemical, rubber and plastic products	205	268	77	191	498	103	204	-63
- textiles, wearing apparel, leather goods	32	10	5	5	109	44	60	22
- other manufacturing sub-sectors	200	129	68	62	110	23	25	70
Electricity, gas and water supply	-129	-19	119	-138	252	240	151	-111
Professional, scientific, technical and administrative activities and support services	379	291	227	64	498	153	281	88
Agriculture, forestry and fishing	213	120	89	31	98	48	18	92
Trade	1,580	1,178	335	843	1,875	342	690	401
Construction and real estate transactions	581	625	594	31	742	563	148	-44
Accommodation and food service activities	34	54	22	32	64	12	20	-20
Financial intermediation and insurance	896	889	298	592	1,198	144	462	7
Information and communications technology	-20	-55	-1	-54	479	278	255	35
Transportation	37	112	89	23	148	58	67	-75
Other	20	38	19	18	119	41	60	-18
TOTAL	5,266	5,546	2,973	2,573	8,930	2,807	3,551	-280

Note: Differences between the total and the values from the summation of different items are due to rounding.

Charts

FDI FLOWS IN 2009-2018



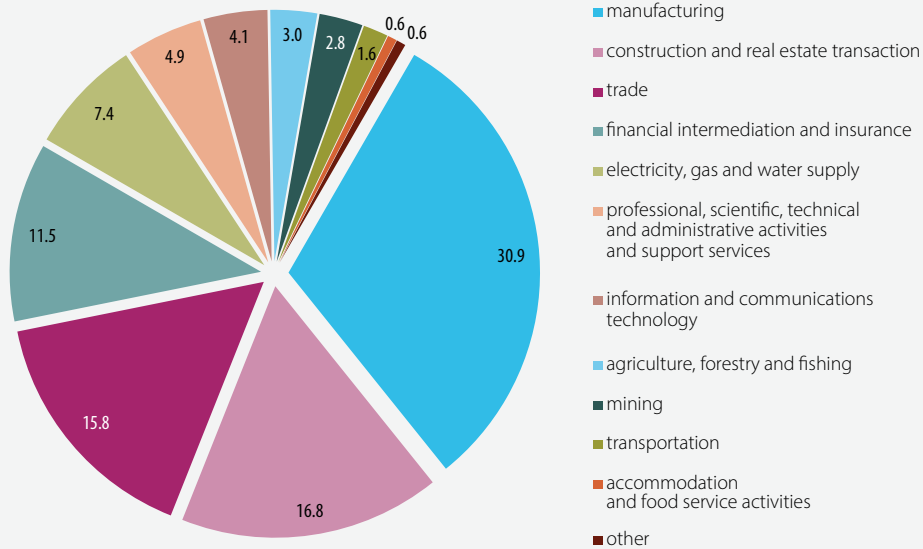
FDI STOCK IN 2009-2018



FDI STOCK AS AT 31 DECEMBER 2018 by main economic activity

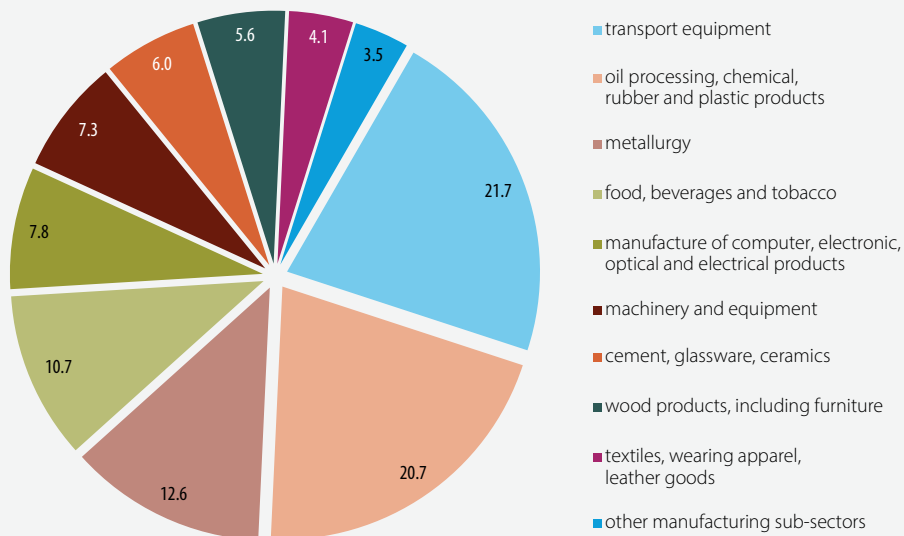
Total economy (EUR 81,124 million)

percent



Manufacturing (EUR 25,032 million)

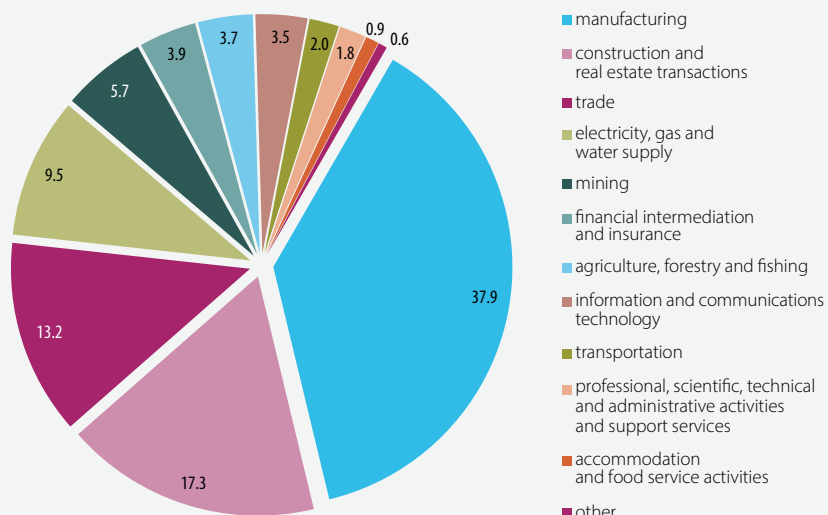
percent



TANGIBLE AND INTANGIBLE FIXED ASSETS AS AT 31 DECEMBER 2018 by main economic activity

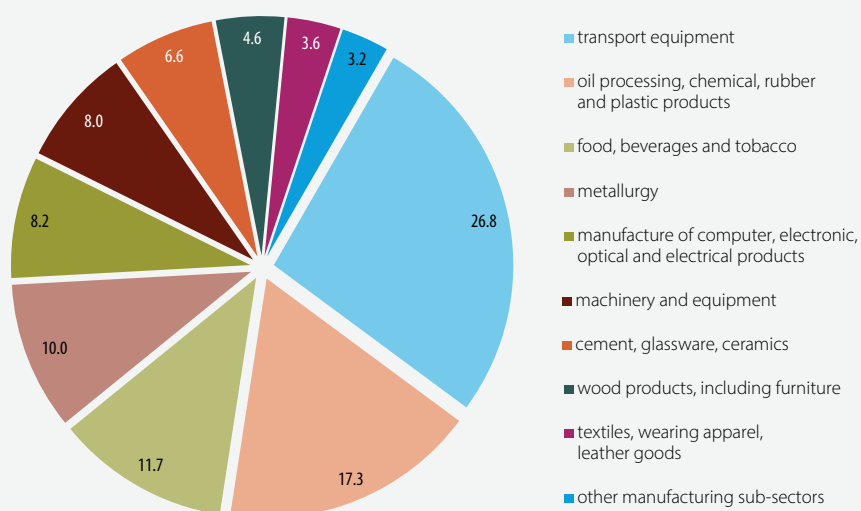
Total economy (EUR 36,459 million)

percent



Manufacturing (EUR 13,815 million)

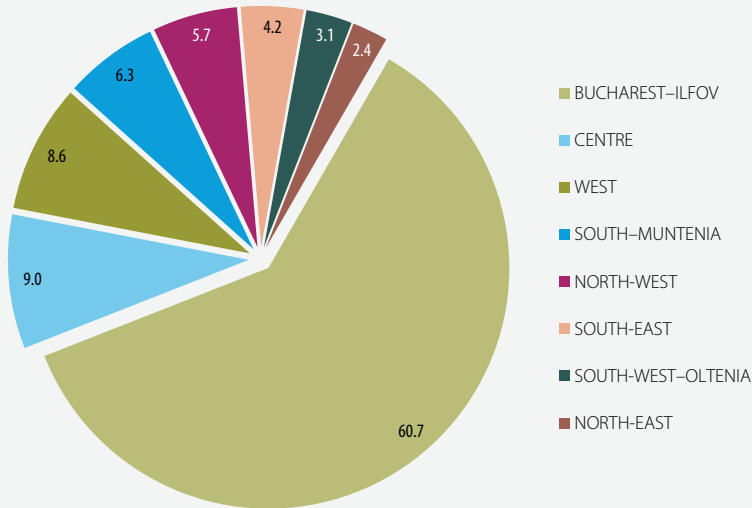
percent



FDI STOCK AS AT 31 DECEMBER 2018
by development region

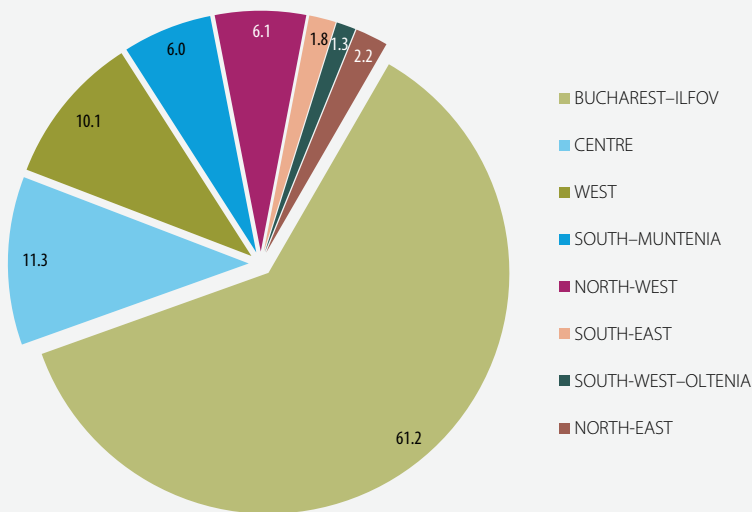
Total FDI
(EUR 81,124 million)

percent



FDI in greenfield enterprises*
(EUR 51,150 million)

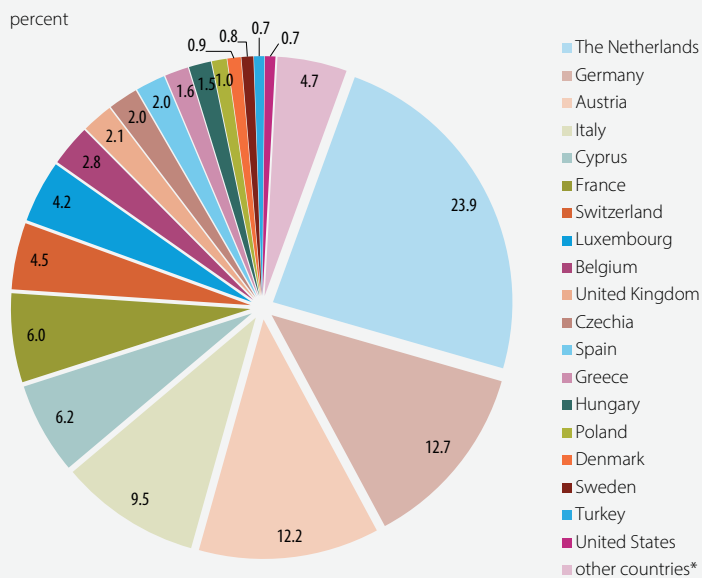
percent



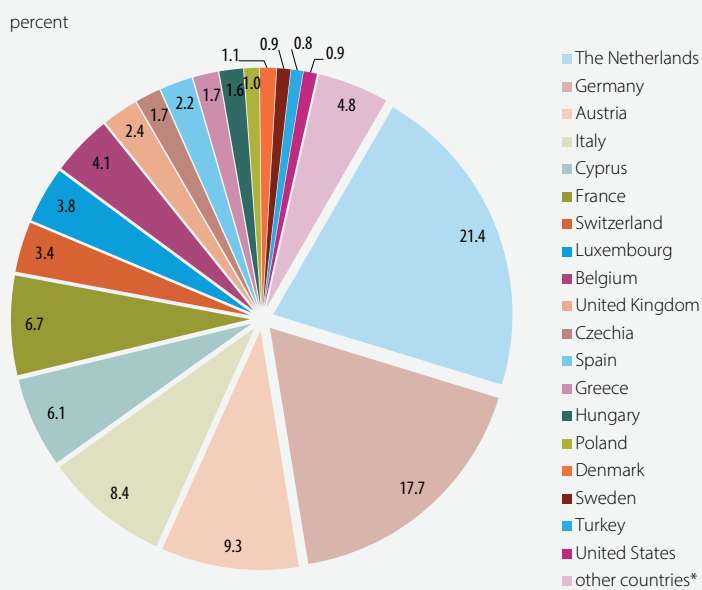
* greenfield enterprises – enterprises established as greenfield investment companies

FDI STOCK AS AT 31 DECEMBER 2018 by country of origin

Total FDI (EUR 81,124 million)



FDI in greenfield enterprises** (EUR 51,150 million)



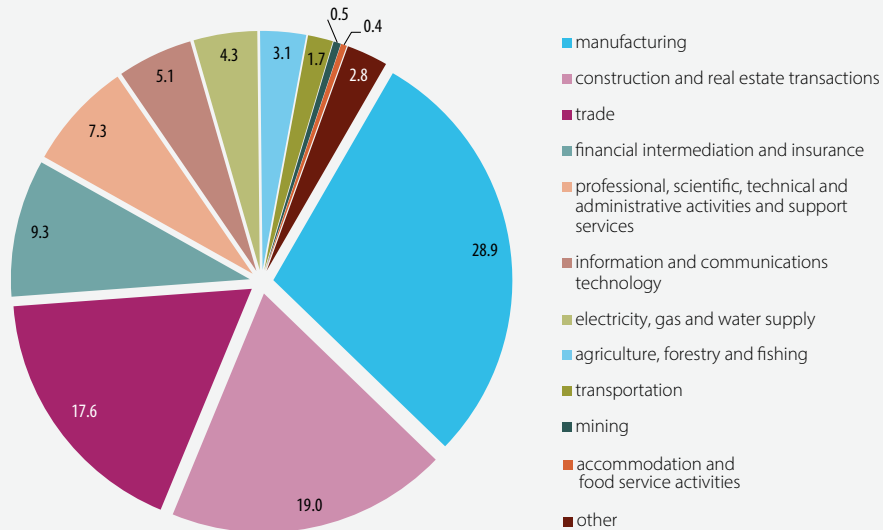
* countries whose investment was less than EUR 500 million

** greenfield enterprises – enterprises established as greenfield investment companies

FDI IN GREENFIELD ENTERPRISES* (STOCKS) by main economic activity as at 31 December 2018

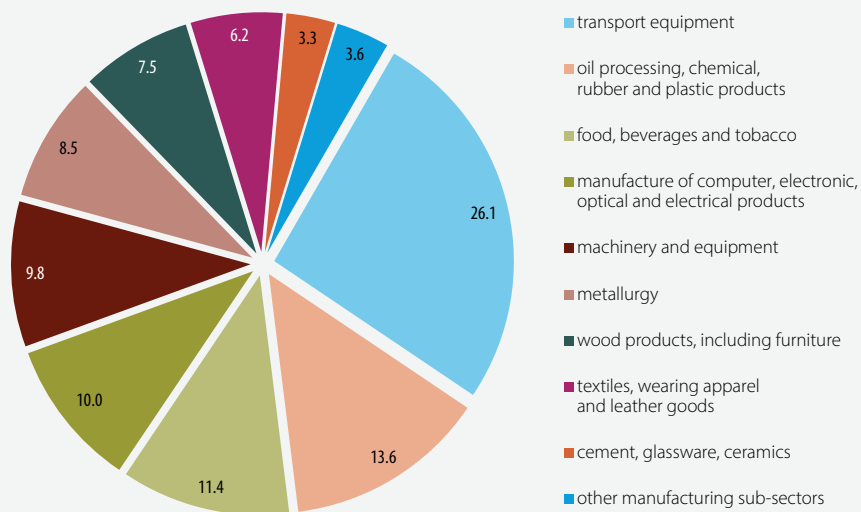
Total economy (EUR 51,150 million)

percent



Manufacturing (EUR 14,800 million)

percent



* greenfield enterprises – enterprises established as greenfield investment companies

