

## COUNTRY PROFILE REPORT OF ITJ DIVISION, DGCI&S. INDIA-ROMANIA BILATERAL TRADE RELATIONS

### INTRODUCTION&BRIEF ECONOMIC OVERVIEW

Romania lies in south-eastern Europe. It is bounded in the north by Ukraine, in the east by Moldova, Ukraine and the Black Sea, in the south by Bulgaria, in the south-west by Yugoslavia (Serbia) and in the north-west by Hungary. Romania is a member of the UN, the Council of Europe, the Central European Initiative, the NATO partnership for peace and is an associate member of the WEU and the EU.

2. In 2024, Romania has a GDP (PPP) of around \$817 billion and a GDP per capita (PPP) of \$43,179. According to the World Bank, Romania is a high-income economy. According to Eurostat, Romania's GDP per capita (PPS) was 77% of the EU average (100%) in 2022, an increase from 44% in 2007 (the year of Romania's accession to the EU), making Romania one of the fastest growing economies in the EU. IMF Executive Board Concludes 2023 Article IV Consultation with Romania December 8, 2023, Romania has weathered the economic shocks from the pandemic, Russia's war in Ukraine, and the resulting surges in energy and food prices relatively well. Growth, at 4.7 percent, surprised on the upside in 2022 but slowed in the first half of 2023 to around 1.9 percent y/y as consumption weakened due to real incomes being eroded by inflation, and external demand remained subdued. Public and private investment, on the other hand, has accelerated further. CPI inflation peaked at 16.8 percent y/y in November 2022, and has since been falling steadily to 8.8 percent y/y in September, aided by base effects, price caps on energy and, more recently, receding energy and food prices, an easing of supply bottlenecks, and monetary tightening. The financial sector remains robust. Fiscal deficits remain high. While spending pressures from the pandemic and support measures to cushion increases in energy and food prices have abated, structural spending has increased since 2019 without offsetting increases in revenue, and fiscal consolidation has stalled in 2023. The current account deficit also remains large but is declining, and is largely driven by direct investment flows and rising inflows of EU funds. International reserves have increased significantly.

A snapshot of Romania's select economic indicators is as under. **TABLE 1**

<b>Romania: Selected Economic Indicators</b>				
	2021	2022	2023	2024
			Projections	
<b>Output</b>				
Real GDP (% change)	5.7	4.6	2.2	2.7
<b>Employment</b>				
Unemployment (% labor force)	5.6	5.6	5.6	5.6
<b>Prices</b>				
Consumer prices (avg)	5.0	13.8	10.5	5.8
Consumer prices (eop)	8.2	16.4	7.4	4.4
<b>General government finances (% GDP)</b>				
Revenue	30.4	31.0	31.9	31.9
Expenditure	37.1	36.8	37.9	37.0
Net lending/borrowing	-6.7	-5.8	-6.0	-5.1
Structural balance	-7.4	-5.7	-5.6	-4.8
Structural primary balance	-5.9	-3.7	-3.2	-2.6
Gross debt	51.7	50.5	51.6	52.2
<b>Money and credit</b>				
Broad money (% change)	15.8	6.9	13.6	10.0

Credit to the private sector (% change)	14.8	12.1	4.6	6.3
Policy rate (eop, %)	1.75	6.75	...	...
<b>Balance of payments</b>				
Current account (% GDP)	-7.2	-9.3	-6.9	-6.7
Direct investment, net (% GDP)	-3.7	-3.4	-3.0	-3.3
International reserves (months of prospective imports)	3.9	4.3	4.7	4.7
External debt (% GDP)	56.5	50.6	50.5	51.2
<b>Exchange rate</b>				
REER (% change)	1.0	3.7	...	...
Sources: Eurostat, World Development Indicators, and IMF staff estimates and projections.				
1/ At risk of poverty rate (cut-off point: 60% of median equivalized income after social transfers).				

## IMF Executive Board Concludes 2023 Article IV Consultation with Romania December 8, 2023.

### FOREIGN TRADE

3. As per recent available inputs on WITS (World Integrated Trade Solution), the five major merchandise export partners of Romania are Germany, Italy, France, Hungary and Poland. On the other hand five major import partners of Romania are Germany, Italy, Hungary, Poland and China. Major five exported goods of Romania are (i) Boards, panels, including numerical control pan (ii) Ignition wiring sets & oth wiring sets of a kind (iii) Automobiles with reciprocating piston engine di (iv) Petroleum oils, etc, (excl. crude); preparation (v) Transmissions for motor vehicles. On the other hand major five imported goods of Romania are–(i) Petroleum oils and oils obtained from bituminous (ii) Other medicaments of mixed or unmixed products, (iii) Petroleum oils, etc, (excl. crude); preparation (iv) Transmission apparatus, for radio teleph. Incorpo. (v) Monolithic integrated circuits, digital.

4. Romania's total exports globally in 2019 were of the order of US\$ 77,299 million. It had scaled up to US\$ 100,642 million in 2023. Exports from Romania had increased by 24.41% in the year 2021. During the period from 2019 to 2023, the annual average compound rate of growth of exports was 6.82%.

5. Romania's total imports from the world in 2019 were of the order of US\$ 96,644 million and had touched US\$ 131,963 1million mark in 2023. During the period from 2019 to 2023, the annual average compound rate of growth of imports was 8.10%.

6. Romania faced an overall Balance of Trade deficit from 2019 to 2023 and it had scaled from USD -19,345 million in 2019 to USD -31,321 million in 2023. During the period from 2019 to 2023, the annual average compound rate of growth of total volume of trade was 7.54%.

**A snapshot of Romania's overall Trade Statistics is presented in Table 2 and Figure 1 below.**

**A snapshot of India's merchandise trade statistics w.r.t. Romania is presented in Table 3 Figure 2.**

### BILATERAL TRADE WITH INDIA

#### Merchandise Trade

7. India enjoys warm, friendly and substantive ties with Romania. The economic relations between India and Romania are as old as their bilateral political relations. Major areas of cooperation have been in the areas of petrochemicals, metallurgy etc. where Romania has been involved in oil refinery projects in Guwahati and

Bihar. Both the countries signed an agreement on Trade and Economic Cooperation in 1993 which envisaged a mutual most-favoured-nation status for both the partners. India had exported to Romania almost 0.41% of its total export value in FY2023-24. In the same financial year imports from Romania was 0.18% of India's total import value. Romania was the 50<sup>th</sup> largest import partner of India in FY 2023-24. Almost 0.27% of India's total international trade value of goods was between India and Romania as has been recorded in DGCI&S data base for FY 2023-24.

8. Indo-Romania total volume of bilateral trade in FY 2019-20 was of the order of US\$ 628.29 million. It had scaled to US\$ 2,978.13 million in FY 2023-24. The annual compound growth rate of total volume comprising both exports and imports during the period from 2019-20 to 2023-24 had been of the order of 47.55%.

9. It is seen from the available figures that between 2019-20 and 2023-24, India has had a surplus Balance of Trade with Romania. Exports from India to Romania increased maximum by 138.37% in FY2023-24. The annual average compound rate of growth of Exports was 48.37% during the period under review. On the other hand, imports from Romania to India increased steeply by 113.69% in FY 2022-23 followed by another 113.46% increase in 2023-24. During the period from 2019-20 to 2023-24, the annual average compound rate of growth of imports was positive at 46.39%.

10. **Additionally, from Tables 4&5 presented below the following are stated:**

a. (i) **Petroleum Products** (ii) **Iron And Steel** and (iii) **Electric Machinery And Equipments** had occupied the top three slots in India's exports to Romania in FY 2023-24. **Petroleum Products** had occupied the bulk 62.12% share of India's total exports to Romania in FY2023-24.

b. (i) **Vegetable Oils** (ii) **Iron And Steel** and (iii) **Organic Chemicals** were the three major commodities in India's imports list from Romania in the year 2023-24, India had imported a significant amount of **Vegetable Oils** from Romania with a share of 69.86% of total imports from Romania recorded in 2023-24.

#### **“NOTICE”**

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**TABLE - 2**

**ROMANIA'S TOTAL EXPORTS AND IMPORTS, VOLUME OF TRADE AND BALANCE OF TRADE BETWEEN 2019 TO 2023**

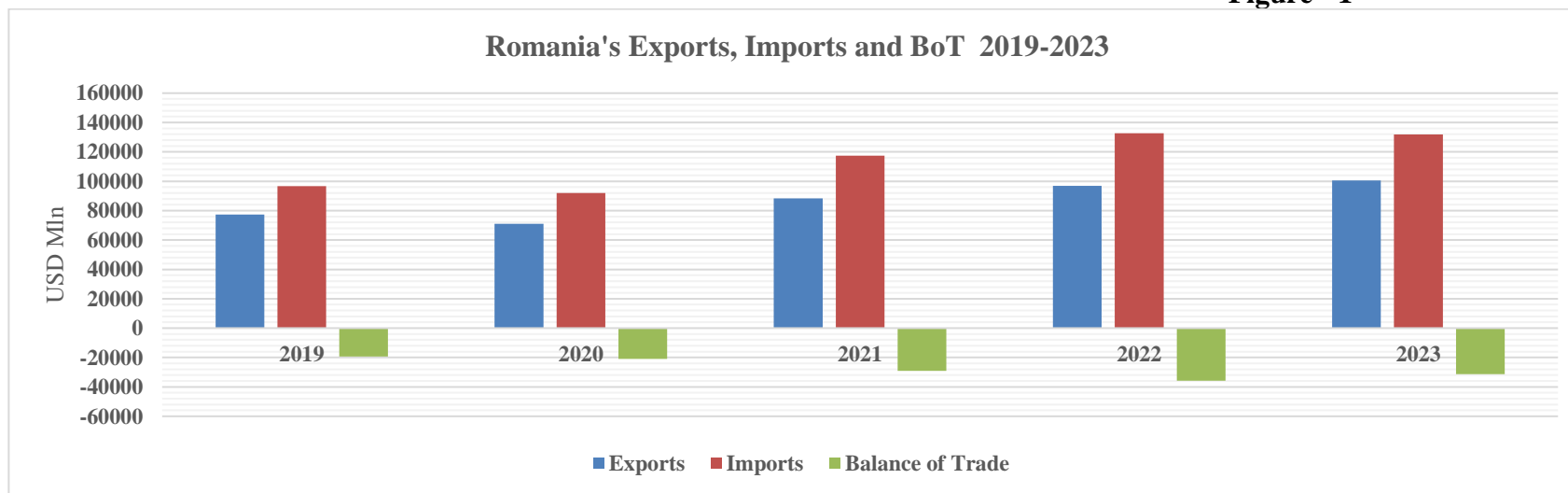
(Figures in USD Million)

Year	Exports	Percentage Growth in Exports	Imports	Percentage Growth in Imports	Volume of Trade	Percentage Growth in Vol. of Trade	Balance of Trade
2019	77299		96644		173,943		-19345
2020	71046	-8.09	92056	-4.75	163,102	-6.23	-21010
2021	88390	24.41	117402	27.53	205,792	26.17	-29012
2022	96830	9.55	132700	13.03	229,530	11.53	-35870
2023	100642	3.94	131963	-0.56	232,605	1.34	-31321
<b>Annual Growth Rate</b>	<b>Compound 6.82</b>		<b>8.10</b>		<b>7.54</b>		

**NOTE:** Figures relate to calendar year (January to December)

**SOURCE:** UN COMTRADE PUBLICATION

**Figure - 1**



**TABLE - 3**  
**INDIA'S MERCHANDISE EXPORTS & IMPORTS w.r.t. ROMANIA**  
**FY 2019-2020 to 2023-2024**

(Value in USD Million)

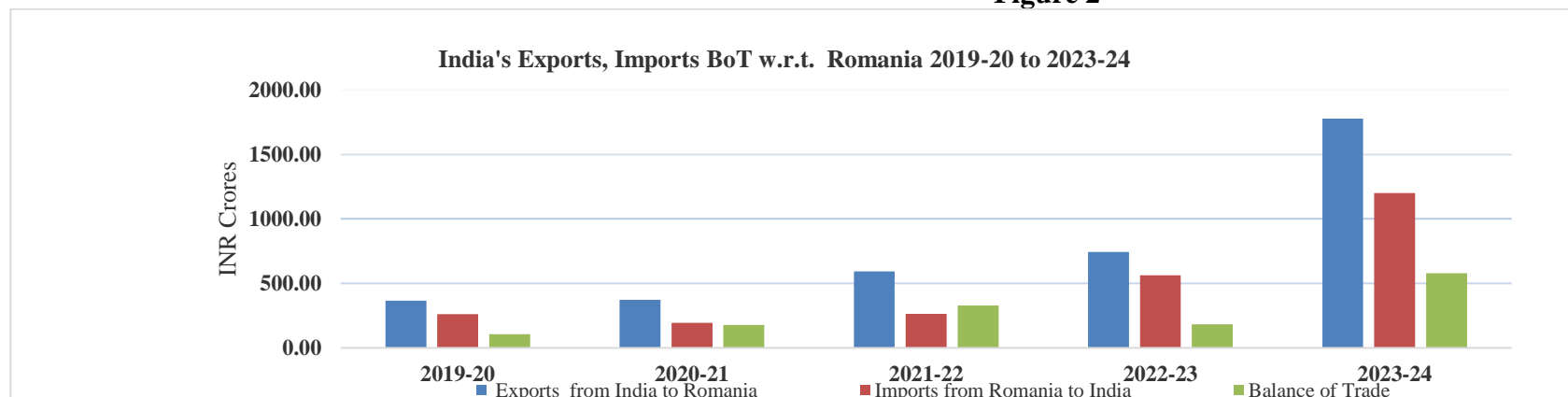
Year	Exports from India to Romania	Percentage Growth in Exports	Imports from Romania to India	Percentage Growth in Imports	Volume of Trade	Percentage Growth in Vol. of Trade	Balance of Trade
2019-20	366.95		261.34		628.29		105.61
2020-21	371.84	1.33	193.97	-25.78	565.81	-9.94	177.87
2021-22	592.74	59.41	263.10	35.64	855.84	51.26	329.64
2022-23	744.44	25.59	562.21	113.69	1306.65	52.67	182.23
2023-24	1778.05	138.84	1200.08	113.46	2978.13	127.92	577.97

<b>Annual Growth Rate</b>	<b>48.37</b>	<b>46.39</b>	<b>47.55</b>
	<b>Compound</b>		

**NOTE: Figures relate to Financial Year (April to March)**

**SOURCE: DGCIS, M/o C&I**

**Figure 2**



**TABLE -4**  
**INDIA'S MAJOR ITEMS OF MERCHANDISE EXPORTS TO ROMANIA**  
**2019-2020 TO 2023-2024 AND THEIR GROWTH RATES**

(Value in USD Million)

Sl. No.	Name of the Merchandise Commodities	Value of Exports					Annual Growth Rates			
		2019-20	2020-21	2021-22	2022-23	2023-24	20-21 over 2019-20	21-22 over 2020-21	22-23 over 2021-22	23-24 over 2022-23
<b>1</b>	<b>Petroleum Products</b>	<b>0.54</b>	<b>0.54</b>	<b>0.96</b>	<b>189.90</b>	<b>1104.46</b>	<b>0.00</b>	<b>77.78</b>	<b>19681.25</b>	<b>481.60</b>
	Share in total export	0.15	0.15	0.16	25.51	62.12				
<b>2</b>	<b>Iron And Steel</b>	<b>40.06</b>	<b>70.69</b>	<b>123.41</b>	<b>69.07</b>	<b>76.34</b>	<b>76.46</b>	<b>74.58</b>	<b>-44.03</b>	<b>10.53</b>
	Share in total export	10.92	19.01	20.82	9.28	4.29				
<b>3</b>	<b>Electris Machinery And Equipments</b>	<b>29.78</b>	<b>29.51</b>	<b>47.35</b>	<b>55.16</b>	<b>62.74</b>	<b>-0.91</b>	<b>60.45</b>	<b>16.49</b>	<b>13.74</b>
	Share in total export	8.12	7.94	7.99	7.41	3.53				
<b>4</b>	<b>Ceramics And Allied Products</b>	<b>15.16</b>	<b>20.05</b>	<b>29.05</b>	<b>26.05</b>	<b>40.19</b>	<b>32.26</b>	<b>44.89</b>	<b>-10.33</b>	<b>54.28</b>
	Share in total export	4.13	5.39	4.90	3.50	2.26				
<b>5</b>	<b>Manmade Yarn Fabrics Madeups Etc.</b>	<b>11.74</b>	<b>9.81</b>	<b>23.43</b>	<b>20.33</b>	<b>32.06</b>	<b>-16.44</b>	<b>138.84</b>	<b>-13.23</b>	<b>57.70</b>
	Share in total export	3.20	2.64	3.95	2.73	1.80				
<b>6</b>	<b>Products Of Iron And Steel</b>	<b>16.06</b>	<b>17.95</b>	<b>23.06</b>	<b>20.89</b>	<b>31.49</b>	<b>11.77</b>	<b>28.47</b>	<b>-9.41</b>	<b>50.74</b>
	Share in total export	4.38	4.83	3.89	2.81	1.77				
<b>7</b>	<b>Indl. Machinery For Dairy Etc.</b>	<b>12.68</b>	<b>11.19</b>	<b>14.56</b>	<b>13.90</b>	<b>30.12</b>	<b>-11.75</b>	<b>30.12</b>	<b>-4.53</b>	<b>116.69</b>
	Share in total export	3.46	3.01	2.46	1.87	1.69				
<b>8</b>	<b>Auto Components/ Parts</b>	<b>63.92</b>	<b>29.63</b>	<b>41.76</b>	<b>14.28</b>	<b>21.16</b>	<b>-53.65</b>	<b>40.94</b>	<b>-65.80</b>	<b>48.18</b>
	Share in total export	17.42	7.97	7.05	1.92	1.19				
<b>9</b>	<b>Bulk Drugs, Drugs Intermediates</b>	<b>8.83</b>	<b>10.32</b>	<b>9.69</b>	<b>11.45</b>	<b>19.95</b>	<b>16.87</b>	<b>-6.10</b>	<b>18.16</b>	<b>74.24</b>
	Share in total export	2.41	2.78	1.63	1.54	1.12				
<b>10</b>	<b>Drug Formulations Biologicals</b>	<b>5.05</b>	<b>10.39</b>	<b>11.90</b>	<b>11.66</b>	<b>18.24</b>	<b>105.74</b>	<b>14.53</b>	<b>-2.02</b>	<b>56.43</b>
	Share in total export	1.38	2.79	2.01	1.57	1.03				
	<b>Total exports to ROMANIA</b>	<b>366.95</b>	<b>371.84</b>	<b>592.74</b>	<b>744.44</b>	<b>1778.05</b>	<b>1.33</b>	<b>59.41</b>	<b>25.59</b>	<b>138.84</b>

**NOTE : Figures relate to each Financial Year (April to March)**

**SOURCE : DGCI&S, M/o C&I**

**TABLE -5**  
**INDIA'S MAJOR ITEMS OF MERCHANDISE IMPORTS FROM ROMANIA**  
**2019-2020 TO 2023-2024 AND THEIR GROWTH RATES**

(Value in USD Million)

Sl. No.	Name of the Merchandise Commodities	Value of Imports					Annual Growth Rates			
		2019-20	2020-21	2021-22	2022-23	2023-24	19-20 over 2018-19	20-21 over 2019-20	21-22 over 2020-21	23-24 over 2022-23
<b>1</b>	<b>Vegetable Oils</b>	<b>6.86</b>		<b>22.38</b>	<b>274.68</b>	<b>838.33</b>	<b>-100.00</b>		<b>1127.35</b>	<b>205.20</b>
	Share in total import	2.62		8.51	48.86	69.86				
<b>2</b>	<b>Iron And Steel</b>	<b>3.49</b>	<b>2.16</b>	<b>5.50</b>	<b>8.38</b>	<b>136.18</b>	<b>-38.11</b>	<b>154.63</b>	<b>52.36</b>	<b>1525.06</b>
	Share in total import	1.34	1.11	2.09	1.49	11.35				
<b>3</b>	<b>Organic Chemicals</b>	<b>2.86</b>	<b>19.67</b>	<b>18.00</b>	<b>34.97</b>	<b>27.80</b>	<b>587.76</b>	<b>-8.49</b>	<b>94.28</b>	<b>-20.50</b>
	Share in total import	1.09	10.14	6.84	6.22	2.32				
<b>4</b>	<b>Incl. Machinery For Dairy Etc.</b>	<b>20.17</b>	<b>16.37</b>	<b>18.44</b>	<b>21.16</b>	<b>26.74</b>	<b>-18.84</b>	<b>12.65</b>	<b>14.75</b>	<b>26.37</b>
	Share in total import	7.72	8.44	7.01	3.76	2.23				
<b>5</b>	<b>Consumer Electronics</b>	<b>0.65</b>	<b>0.34</b>	<b>14.74</b>	<b>35.90</b>	<b>23.29</b>	<b>-47.69</b>	<b>4235.29</b>	<b>143.55</b>	<b>-35.13</b>
	Share in total import	0.25	0.18	5.60	6.39	1.94				
<b>6</b>	<b>Electronic Instruments</b>	<b>7.57</b>	<b>19.42</b>	<b>14.90</b>	<b>22.93</b>	<b>22.37</b>	<b>156.54</b>	<b>-23.27</b>	<b>53.89</b>	<b>-2.44</b>
	Share in total import	2.90	10.01	5.66	4.08	1.86				
<b>7</b>	<b>Pump Of All Types</b>	<b>23.47</b>	<b>27.49</b>	<b>41.37</b>	<b>40.38</b>	<b>13.64</b>	<b>17.13</b>	<b>50.49</b>	<b>-2.39</b>	<b>-66.22</b>
	Share in total import	8.98	14.17	15.72	7.18	1.14				
<b>8</b>	<b>Electronic Components</b>	<b>2.42</b>	<b>6.47</b>	<b>7.62</b>	<b>8.72</b>	<b>12.57</b>	<b>167.36</b>	<b>17.77</b>	<b>14.44</b>	<b>44.15</b>
	Share in total import	0.93	3.34	2.90	1.55	1.05				
<b>9</b>	<b>Medical And Scientific Instruments</b>	<b>5.01</b>	<b>7.22</b>	<b>9.14</b>	<b>8.69</b>	<b>11.80</b>	<b>44.11</b>	<b>26.59</b>	<b>-4.92</b>	<b>35.79</b>
	Share in total import	1.92	3.72	3.47	1.55	0.98				
<b>10</b>	<b>Electric Machinery And Equipments</b>	<b>13.49</b>	<b>9.54</b>	<b>5.41</b>	<b>5.24</b>	<b>10.90</b>	<b>-29.28</b>	<b>-43.29</b>	<b>-3.14</b>	<b>108.02</b>
	Share in total import	5.16	4.92	2.06	0.93	0.91				
	<b>Total imports from ROMANIA</b>	<b>261.34</b>	<b>193.97</b>	<b>263.10</b>	<b>562.21</b>	<b>1200.08</b>	<b>-25.78</b>	<b>35.64</b>	<b>113.69</b>	<b>113.46</b>

**NOTE : Figures relate to each Financial Year (April to March)**

**SOURCE : DGCI&S, M/o C&I**