

NATIONAL  
BANK OF  
ROMANIA

# Foreign Direct Investment in Romania in 2016

FOREIGN  
DIRECT INVESTMENT  
IN ROMANIA  
in 2016

NOTE

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## METHODOLOGICAL ISSUES ON FOREIGN DIRECT INVESTMENT STATISTICS

The statistical survey on foreign direct investment in Romania in 2016 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)<sup>1</sup>.

- **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 reinvested earnings.

According to the FDI data compiling methodology (BPM6), 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 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.

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

- **Indirect direct investment enterprise:** an incorporated resident enterprise in which a foreign direct investor holds, via a direct investment enterprise, at least 10 percent of the voting power or of the subscribed share capital. Indirect direct investment enterprises are subsidiaries or affiliates 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.
  - **Net credit:** namely 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 loans extended by the direct investment enterprise either to the foreign direct investor or to another entity within the group of companies.

Debt between affiliated financial intermediaries (banks, investment funds, non-bank financial institutions) is not considered direct investment.
- **Types of foreign direct investment** (by contribution to the equity flow 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; and
  - **Corporate restructuring:** equity investment by foreign investors in direct investment enterprises which incurred losses in order to turn them to profitability.

# RESULTS OF THE 2016 FOREIGN DIRECT INVESTMENT STATISTICAL SURVEY

## 1. FDI NET FLOW IN 2016

In 2016, FDI net flow stood at EUR 4,517 million, out of which:

- **Foreign direct investors' equity** in direct investment enterprises in Romania worth EUR 4,341 million. Equity includes FDI enterprises' equity participation worth EUR 3,203 million, plus reinvested earnings worth EUR 1,138 million. Reinvested earnings resulted from the net earnings of profitable FDI enterprises amounting to EUR 7,410 million, less the distributed dividends worth EUR 3,149 million and the 2016 loss of EUR 3,123 million incurred by loss-making FDI enterprises. Calculations are made in compliance with the international methodology for determining the reinvested earnings of FDI enterprises (BPM6).
- **Net credit** of direct investment enterprises from foreign direct investors, intercompany lending included, stood at EUR 176 million. Net credit includes both long and medium-term credit and short-term credit.

The Annex shows the FDI net flow and its components (equity participation, reinvested earnings and net credit from investors) by FDI enterprises' business sector. The analysis of these data reveals the following:

- In 2016, FDI net flow went primarily to manufacturing (EUR 2,021 million), while the main sub-sectors benefiting from foreign direct investment were transport equipment (EUR 928 million), oil processing, chemical, rubber and plastic products (EUR 352 million) and metallurgy (EUR 242 million). Other economic activities which received large FDI inflows were financial intermediation and insurance (EUR 800 million) and trade (EUR 609 million).
- The following sub-sectors reported the largest equity participation (capital increases): electricity, gas and water supply (EUR 1,302 million), construction and real estate transactions (EUR 597 million) and manufacturing (EUR 397 million). Equity participation in electricity, gas and water supply was primarily made via the conversion into equity of intercompany loans taken previously.

The highest values for reinvested earnings were recorded for trade (EUR 669 million), manufacturing (EUR 650 million) and financial intermediation and insurance (EUR 552 million).

- After two years when the net credit of FDI enterprises from foreign direct investors or the group to which investors belong had a negative contribution, in 2016 it made again a positive contribution (EUR 176 million). By business sector of FDI enterprises, the main activities that benefited from financing via intercompany



lending in excess of EUR 100 million were transport equipment (EUR 640 million), metallurgy (EUR 222 million) and oil processing, chemical, rubber and plastic products (EUR 148 million) in the manufacturing sector and professional, scientific, technical and administrative activities and support services (EUR 218 million).

## 2. FDI STOCK AS AT END-2016

As at end-2016, final FDI stock amounted to EUR 70,113 million. The result was calculated by adding to the final FDI stock of the previous year the FDI net flow and the 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 –, the changed accounting treatment of the initial stocks and data corrections in the previous statistical reports.

Equity (including the accumulated reinvested earnings) of FDI enterprises amounted to EUR 48,964 million (69.8 percent of the final FDI stock) at end-2016 and net credit taken by direct investment enterprises from foreign direct investors, fellow companies lending included, came in at EUR 21,149 million, i.e. 30.2 percent of the final FDI stock.

### 2.1. FDI stock distribution by main economic activity

By economic activity (according to NACE Rev. 2), FDI stock was channelled primarily to manufacturing (32.0 percent of total FDI), 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), metallurgy (4.1 percent), food, beverages and tobacco (3.4 percent), manufacture of computer, electronic, optical and electrical products (2.5 percent). Another industrial activity, i.e. electricity, gas and water supply, accounted for 9.6 percent of total FDI stock.

Apart from industry, other activities that also attracted significant FDI were construction and real estate transactions (14.0 percent of FDI stock), trade (12.8 percent), financial intermediation and insurance (12.6 percent), and professional, scientific, technical and administrative activities and support services (5.6 percent).

### Foreign direct investment stock in Romania by main economic activity as at 31 December 2016

	EUR million	% of total FDI
<b>TOTAL, of which:</b>	<b>70,113</b>	<b>100.0</b>
Industry, of which:	30,979	44.2
Mining	1,831	2.6
Manufacturing, of which:	22,435	32.0
– food, beverages and tobacco	2,382	3.4
– cement, glassware, ceramics	1,431	2.0
– wood products, including furniture	1,433	2.0
– manufacture of computer, electronic, optical and electrical products	1,717	2.5
– machinery and equipment	1,615	2.3
– metallurgy	2,868	4.1
– transport equipment	4,710	6.7
– oil processing, chemical, rubber and plastic products	4,493	6.4
– textiles, wearing apparel, leather goods	1,039	1.5
– other manufacturing sub-sectors	747	1.1
Electricity, gas and water supply	6,713	9.6
Professional, scientific, technical and administrative activities and support services	3,908	5.6
Agriculture, forestry and fishing	1,836	2.6
Trade	8,994	12.8
Construction and real estate transactions	9,794	14.0
Accommodation and food service activities	411	0.6
Financial intermediation and insurance	8,844	12.6
Information and communications technology	3,628	5.2
Transportation	1,215	1.7
Other	504	0.7

## 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 FDI stock at end-2016, as well as their distribution by main economic activity.

It should be noted that tangible and intangible fixed assets, which totalled EUR 31,930 million and held 45.5 percent of total FDI stock at end-2016, point to considerable foreign direct investment stability.

Substantial FDI in tangible and intangible fixed assets covered: industry (24.9 percent of total FDI), of which the largest recipients were manufacturing (17.4 percent of total FDI), construction and real estate transactions (7.0 percent) and trade (6.5 percent).

Foreign direct investment in Romania – tangible and intangible fixed assets –  
by main economic activity as at 31 December 2016

	EUR million	% of total FDI
<b>TOTAL, of which:</b>	<b>31,930</b>	<b>45.5</b>
Industry, of which:	17,443	24.9
Mining	1,812	2.6
Manufacturing, of which:	12,225	17.4
– food, beverages and tobacco	1,426	2.0
– cement, glassware, ceramics	966	1.4
– wood products, including furniture	783	1.1
– manufacture of computer, electronic, optical and electrical products	812	1.2
– machinery and equipment	862	1.2
– metallurgy	1,374	2.0
– transport equipment	2,764	3.9
– oil processing, chemical, rubber and plastic products	2,419	3.4
– textiles, wearing apparel, leather goods	496	0.7
– other manufacturing sub-sectors	323	0.5
Electricity, gas and water supply	3,406	4.9
Professional, scientific, technical and administrative activities and support services	658	0.9
Agriculture, forestry and fishing	747	1.1
Trade	4,524	6.5
Construction and real estate transactions	4,937	7.0
Accommodation and food service activities	219	0.3
Financial intermediation and insurance	1,230	1.8
Information and communications technology	1,264	1.8
Transportation	660	0.9
Other	248	0.3

### 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 (59.9 percent). Other development regions which attracted significant FDI inflows were: the CENTRE region (9.1 percent), the WEST region (8.0 percent), the SOUTH-MUNTENIA region (6.9 percent), and the NORTH-WEST region (5.9 percent).

The statistical survey identified FDI by registered office, which is not necessarily the same as their business place.

## Foreign direct investment in Romania by development region as at 31 December 2016

	EUR million	% of total FDI
<b>TOTAL, of which:</b>	<b>70,113</b>	<b>100.0</b>
BUCHAREST-ILFOV	42,021	59.9
CENTRE	6,379	9.1
WEST	5,605	8.0
SOUTH MUNTENIA	4,837	6.9
NORTH-WEST	4,108	5.9
SOUTH-EAST	3,477	4.9
SOUTH-WEST OLTENIA	2,080	3.0
NORTH-EAST	1,606	2.3

**Box. FDI stock distribution by county for the FDI enterprises which 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 which were subject to comprehensive survey account for 94.2 percent of the total FDI stock. The FDI enterprises are those with at least 20 employees and the enterprises 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 attracted long-term loans from their foreign direct investors or fellow enterprises of at least 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 2016**

	EUR million
<b>TOTAL, of which:</b>	<b>66,045</b>
Alba	1,075
Argeş	1,115
Arad	1,069
Bacău	142
Bihor	645
Bistriţa-Năsăud	187
Brăila	93
Botoşani	79
Braşov	2,132
Buzău	483
Cluj	1,695
Călăraşi	331

–continued–

	EUR million
Caraş-Severin	329
Constanţa	1,960
Covasna	132
Dâmboviţa	356
Dolj	1,128
Gorj	7
Galaţi	642
Giurgiu	127
Hunedoara	368
Harghita	104
Ifov	3,712
Ialomiţa	303
Iaşi	466
Bucharest	35,846
Mehedinţi	16
Maramureş	440
Mureş	1,735
Neamţ	193
Olt	676
Prahova	2,165
Sibiu	893
Sălaj	471
Satu Mare	387
Suceava	462
Tulcea	143
Timiş	3,540
Teleorman	98
Vâlcea	175
Vrancea	90
Vaslui	35

#### 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 basis).

The top five countries by share of FDI stock as at 31 December 2016 were: the Netherlands (24.3 percent of the FDI stock at end-2016), Germany (13.2 percent), Austria (11.9 percent), France (6.9 percent) and Cyprus (6.5 percent). Regarding the ranking of the top five countries, Germany came in second, overtaking Austria, and France climbed to the fourth position, ahead of Cyprus.

## Foreign direct investment in Romania by country of origin as at 31 December 2016

	EUR million	% of total FDI
<b>TOTAL, of which:</b>	<b>70,113</b>	<b>100.0</b>
The Netherlands	17,060	24.3
Germany	9,256	13.2
Austria	8,336	11.9
France	4,801	6.9
Cyprus	4,526	6.5
Italy	4,428	6.3
Luxembourg	2,987	4.3
Switzerland	2,546	3.6
Greece	1,923	2.8
Belgium	1,913	2.7
Spain	1,709	2.4
United Kingdom	1,701	2.4
United States	1,346	1.9
Czech Republic	1,192	1.7
Hungary	965	1.4
Sweden	518	0.7
Poland	511	0.7
Denmark	451	0.7
Turkey	449	0.7
Ireland	371	0.5
Gibraltar	285	0.4
Japan	284	0.4
Portugal	261	0.4
Lebanon	212	0.3
Virgin Islands, British	208	0.3
Bulgaria	158	0.2
Israel	155	0.2
Norway	148	0.2
Russian Federation	139	0.2
Malta	133	0.2
Singapore	103	0.1
Other*	1,038	1.5

\* countries of origin which invested less than EUR 100 million

### 3. TYPES OF FDI

The flow of equity participation into FDI enterprises, which is part of equity, amounts to EUR 3,203 million, being divided into: greenfield, mergers and acquisitions, corporate development and corporate restructuring.

In 2016, greenfield investment and mergers and acquisitions (M&A), in keeping with the trend recorded in the previous years, stood at a very low level. Thus, greenfield

investment was only EUR 78 million out of the total equity participation in FDI enterprises and mergers and acquisitions equalled EUR 184 million.

The most important two components of the flow of equity into FDI enterprises were corporate restructuring, standing at EUR 2,168 million (68 percent of equity participation), and corporate development, amounting to EUR 773 million (24 percent of equity participation).

In order to assess the lasting impact of greenfield investment on the economy, the accumulation of foreign direct investment (stocks) in enterprises established as greenfield investment companies, referred to as greenfield enterprises, was highlighted.

The FDI stock in greenfield enterprises, in amount of EUR 39,652 million, holds 56.6 percent of total FDI stock.

The breakdown of FDI stock into greenfield enterprises by main economic activity showed that manufacturing was the main recipient, accounting for 31.6 percent of total. Other sub-sectors holding a significant share in such investment were trade (16.8 percent), construction and real estate transactions (15.9 percent), and professional, scientific, technical and administrative activities and support services (8.9 percent).

The bulk of FDI in greenfield enterprises went, as in the case of total FDI, to the BUCHAREST-ILFOV region (56.3 percent), followed by the CENTRE region (12.6 percent) and the WEST region (10.6 percent) and NORTH-WEST region which accounted for 6.4 percent of the FDI stock in greenfield enterprises.

The ranking of the countries of origin by the share of FDI in greenfield enterprises does not substantially differ from the ranking by the origin of total FDI stock. Thus, the Netherlands holds the largest share of FDI in greenfield enterprises (20.5 percent), ahead of Germany (18.6 percent), Austria (10.0 percent) and Italy (7.9 percent of the FDI stock in greenfield enterprises) – see the Charts section.

#### 4. INCOME FROM FDI

In 2016, foreign direct investors' net income amounted to EUR 5,069 million. Net income includes net earnings from equity participation and net income from interest.

Net earnings from equity participation ran at EUR 4,287 million, representing the after-tax profit of FDI enterprises, tantamount to EUR 7,410 million, less the loss of EUR 3,123 million incurred by loss-making FDI enterprises.

After subtracting the dividends distributed in 2016 worth EUR 3,149 million from the net earnings from equity participation, the reinvested profit for all FDI enterprises amounted to EUR 1,138 million, as computed according to the international methodology for determining reinvested earnings (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 fellow companies – and the interest paid by foreign direct investors on the loans taken from their enterprises in Romania – either directly or via fellow companies – stood at EUR 782 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 2016.

### Turnover

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

### Average number of employees

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

Compared to 2015, the FDI enterprises' turnover went up by 3.1 percent to more than EUR 148 billion and the average number of employees rose by around 3 percent to 1,264 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 74.0 percent and 66.3 percent respectively. At the same time, direct investment enterprises account for 58.8 percent of exports of services and 59.9 percent of imports thereof.

### 6.1. Direct investment enterprises' exports and imports of goods

	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
<b>TOTAL, of which:</b>	<b>38,135</b>	<b>74.0</b>	<b>74.0</b>	<b>40,227</b>	<b>66.3</b>	<b>66.3</b>
Industry, of which:	34,506	66.9	82.0	26,457	43.6	81.4
Mining	386	0.7	87.4	314	0.5	93.5
Manufacturing, of which:	33,754	65.5	82.1	25,892	42.7	82.0
– food, beverages and tobacco	838	1.6	54.9	1,439	2.4	59.2
– cement, glassware, ceramics	240	0.5	63.8	328	0.5	69.3
– wood products, including furniture	1,743	3.4	64.6	597	1.0	67.7
– manufacture of computer, electronic, optical and electrical products	4,036	7.8	89.4	3,542	5.8	89.6
– machinery and equipment	2,103	4.1	92.0	1,225	2.0	90.9
– metallurgy	3,174	6.1	84.1	1,672	2.8	79.4
– transport equipment	13,694	26.6	88.6	9,576	15.8	89.7
– oil processing, chemical, rubber and plastic products	4,304	8.3	88.2	4,801	7.9	87.5
– textiles, wearing apparel, leather goods	3,228	6.3	64.6	2,332	3.9	66.0
– other manufacturing sub-sectors	394	0.8	62.6	380	0.6	54.0
Electricity, gas and water supply	366	0.7	70.1	251	0.4	42.9
Professional, scientific, technical and administrative activities and support services	201	0.4	20.1	333	0.6	35.5
Agriculture, forestry and fishing	66	0.1	12.4	70	0.1	9.6
Trade	3,196	6.2	50.1	12,367	20.4	51.9
Construction and real estate transactions	51	0.1	34.8	158	0.3	31.8
Accommodation and food service activities	2	0.0	21.1	22	0.0	36.3
Information and communications technology	42	0.1	71.7	415	0.7	78.9
Financial intermediation and insurance	10	0.0	77.6	134	0.2	56.4
Transportation	39	0.1	38.1	145	0.2	22.4
Other	22	0.1	1.8	126	0.2	18.5

\* 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.

Note: Exports and imports of goods are aggregated by the main activity of direct investment enterprises, according to NACE Rev. 2.

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 7,862 million), due particularly to transport equipment (EUR 4,118 million surplus), metallurgy (EUR 1,502 million surplus), wood products, including furniture (EUR 1,146 million surplus), textiles, wearing apparel and leather goods (EUR 896 million surplus) and machinery and equipment (EUR 878 million surplus). In fact, most industrial sectors and sub-sectors posted trade surpluses. For all other sectors the FDI enterprises registered deficits on trade in goods.

Export and import data economy-wide, taken into account when determining relative sizes, are those reported by economic agents having exceeded the reporting thresholds for 2016 set for the Intrastat declarations, i.e. data compiled by the National Institute of Statistics. Data on exports and imports of goods of FDI enterprises and those on the exports and imports of goods economy-wide also include the goods imported for processing and the exports of such goods after processing.

## 6.2. Direct investment enterprises' exports and imports of services

The table below shows the FDI enterprises' contribution to exports and imports of services in 2016:

	Exports		Import	
	FDI enterprises (EUR million)	FDI enterprises in total economic activity (%)	FDI enterprises (EUR million)	FDI enterprises in total economic activity (%)
<b>Total services, of which:</b>	<b>10,591</b>	<b>58.8</b>	<b>6,203</b>	<b>59.9</b>
Manufacturing	2,030	77.1	175	86.5
Transportation, of which:	2,148	38.8	1,054	55.2
Freight transport by road	1,608	39.3	484	65.6
Telecommunications, computer and information services	2,635	80.4	1,004	74.0
Other business services*	3,102	82.2	2,550	81.7
Other	676	24.2	1,420	37.7

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

Note: Exports and imports are aggregated based on the type of service.

It should be noted that the value of services for processing goods for both exports and imports is also incorporated into the value of imports of goods for processing and that of exports of processed goods, as shown in the statistics on foreign trade in goods.

### **The sample of the FDI Survey**

Out of the total number of 40,611 direct investment enterprises, 7,171 entities were surveyed (either via comprehensive or random survey).

A number of 6,363 FDI enterprises were subject to a comprehensive survey, including enterprises with at least 20 employees (5,256 entities), all the credit institutions with foreign capital (30 entities), all the insurance companies with foreign capital (36 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 attracted long-term loans of at least lei 15 million from their foreign direct investors or from fellow companies (1,041 entities).

A sample of 808 companies out of the 7,536 FDI enterprises with 5 to 19 employees was subject to a random survey.

In addition, 351 indirect direct investment enterprises were subject to a comprehensive survey as well.

The response rate of the FDI survey was 95.5 percent.

The final results of the FDI survey in Romania at end-2016 (flows and stocks) have an error margin of  $\pm 3$  percent, a 95 percent confidence level being warranted for the key indicators.

The data in this paper are available here.

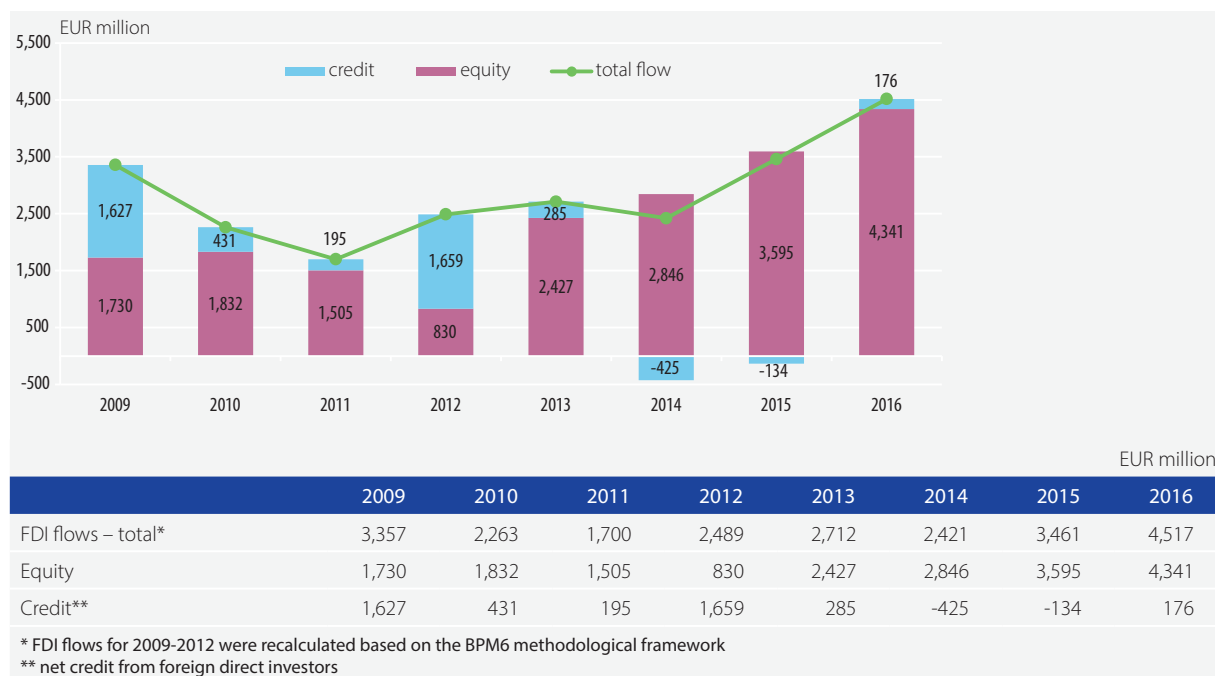
## Annex

## FDI net flow in 2016 and its components by FDI enterprises' activity

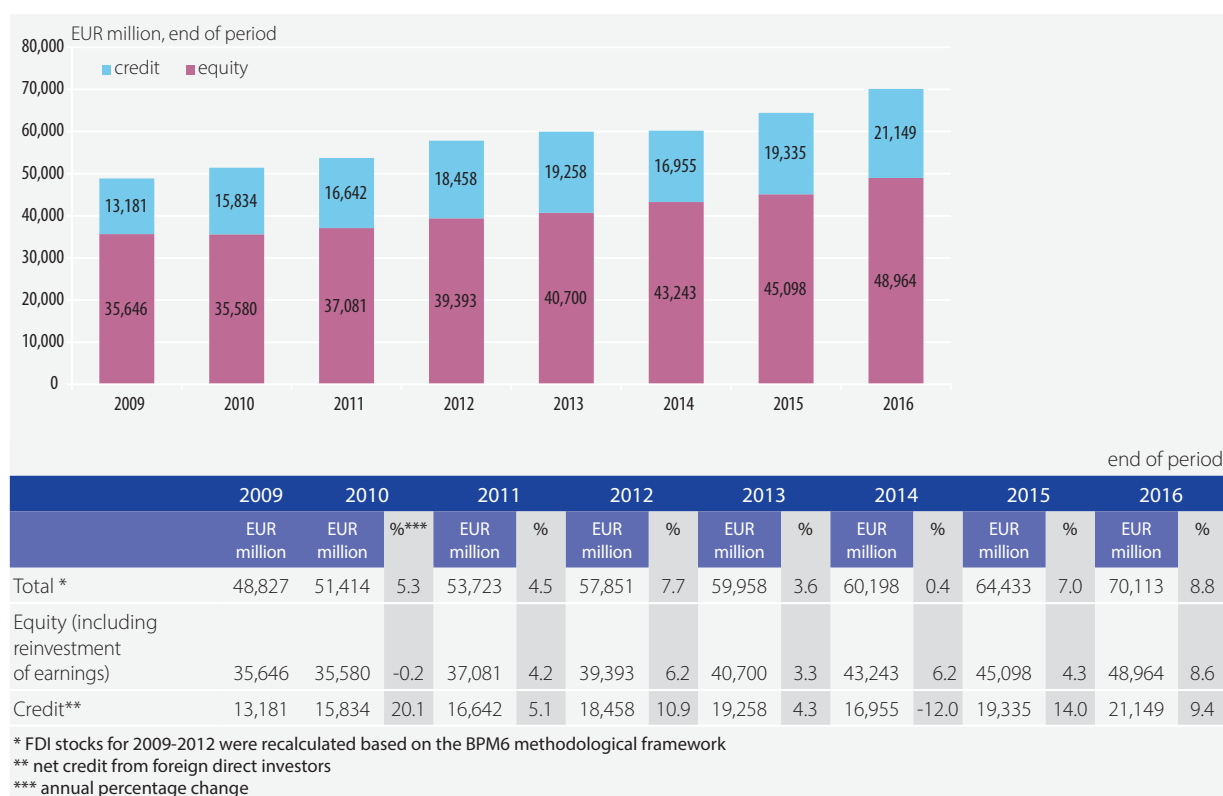
EUR million								
ECONOMIC ACTIVITY	FDI net flow							
	Total, of which:	Equity						Net credit
		Total, of which:	Equity partici- pation	Reinvested earnings				
				Total, of which:	Profit	Loss	Dividends	
1=2+8	2=3+4	3	4=5-6-7	5	6	7	8	
Industry, of which:	2,606	2,226	1,744	482	2,993	1,198	1,313	380
Mining	105	111	45	66	211	118	27	-6
Manufacturing, of which:	2,021	1,047	397	650	2,543	679	1,214	974
– food, beverages and tobacco	162	156	108	48	314	124	142	6
– cement, glassware, ceramics	-32	36	16	20	138	22	96	-68
– wood items, including furniture	33	52	41	11	106	46	49	-19
– manufacture of computer, electronic, optical and electrical products	164	141	27	114	211	34	63	23
– machinery and equipment	-35	145	52	93	185	36	56	-180
– metallurgy	242	20	51	-31	182	153	60	222
– transport equipment	928	288	146	142	570	144	284	640
– oil processing, chemical, rubber and plastic products	352	204	-38	242	647	65	340	148
– textiles, wearing apparel, leather goods	25	-40	-9	-31	110	37	104	65
– other manufacturing	182	45	3	42	80	18	20	137
Electricity, gas and water supply	480	1,068	1,302	-234	239	401	72	-588
Professional, scientific, technical and administrative activities and support services	-158	-376	-103	-273	443	544	172	218
Agriculture, forestry and fishing	290	270	230	40	104	48	16	20
Trade	609	968	299	669	1,588	335	584	-359
Construction and real estate transactions	435	358	597	-239	544	543	240	77
Accommodation and food service activities	-91	-48	-56	8	46	21	17	-43
Financial intermediation and insurance	800	707	155	552	992	143	297	93
Information technology and communications	-58	148	314	-166	420	211	375	-206
Transportation	65	62	21	41	169	40	88	3
Other	19	26	2	24	111	40	47	-7
<b>TOTAL</b>	<b>4,517</b>	<b>4,341</b>	<b>3,203</b>	<b>1,138</b>	<b>7,410</b>	<b>3,123</b>	<b>3,149</b>	<b>176</b>

## Charts

### FDI FLOWS IN 2009-2016



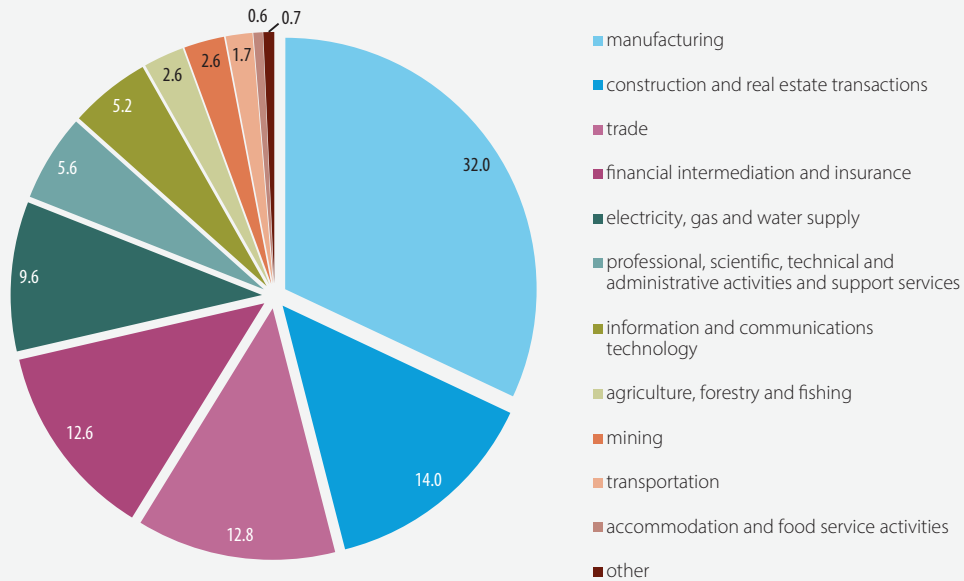
### FDI STOCK IN 2009-2016



## FDI STOCK AS AT 31 DECEMBER 2016 by main economic activity

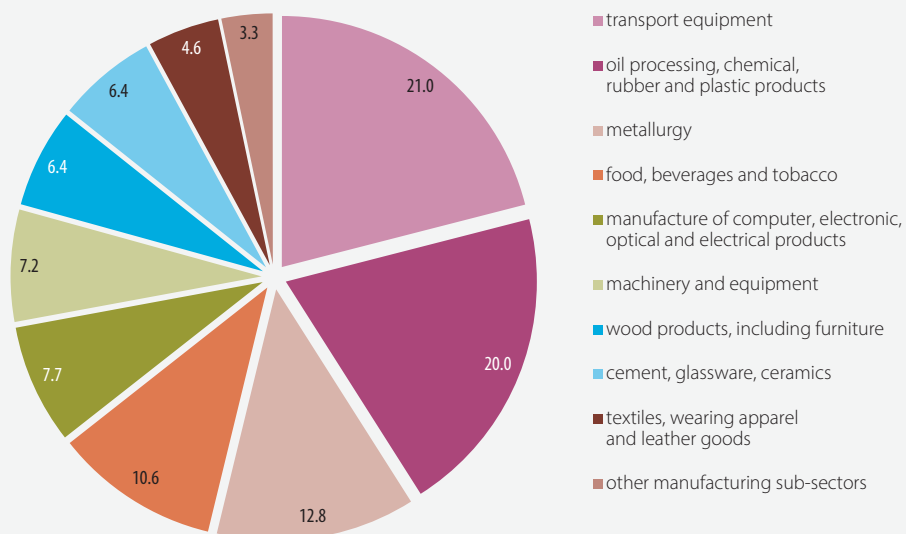
### Total economy (EUR 70,113 million)

percent



### Manufacturing (EUR 22,435 million)

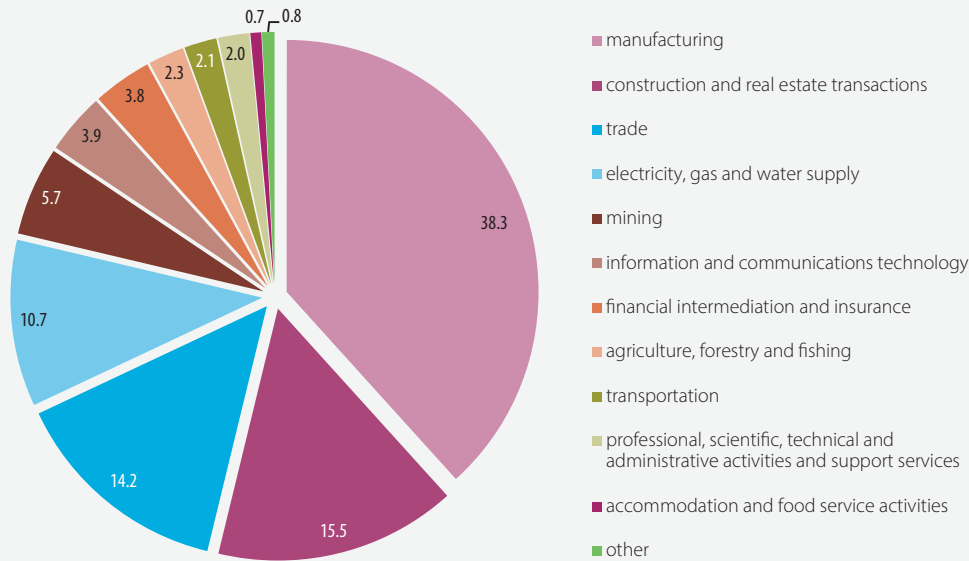
percent



## TANGIBLE AND INTANGIBLE FIXED ASSETS AS AT 31 DECEMBER 2016 by main economic activity

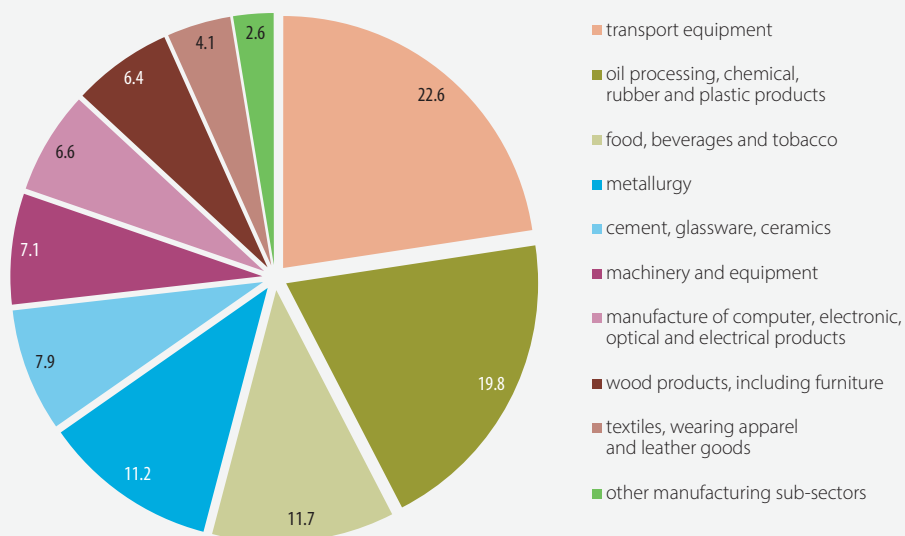
### Total economy (EUR 31,930 million)

percent



### Manufacturing (EUR 12,225 million)

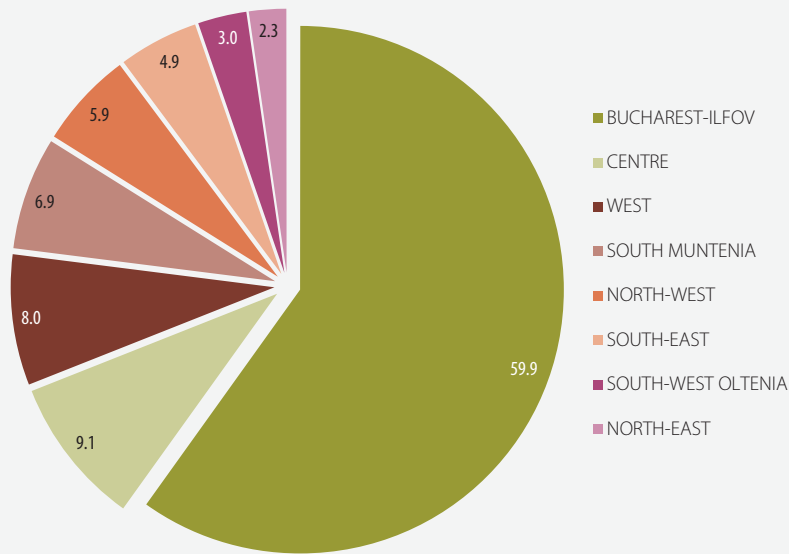
percent



FDI STOCK AS AT 31 DECEMBER 2016  
by development region

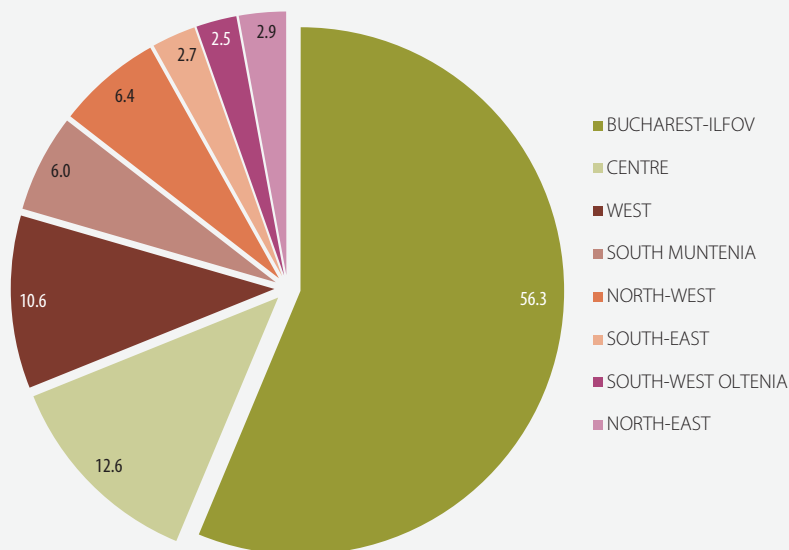
**Total FDI**  
**(EUR 70,113 million)**

percent



**FDI in greenfield enterprises\***  
**(EUR 39,652 million)**

percent



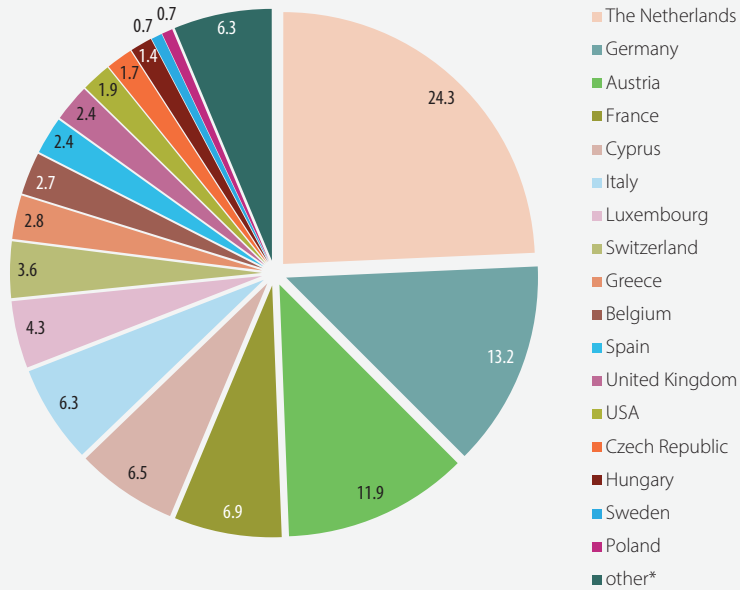
\* greenfield enterprises – enterprises established as greenfield investment companies



## FDI STOCK AS AT 31 DECEMBER 2016 by country of origin

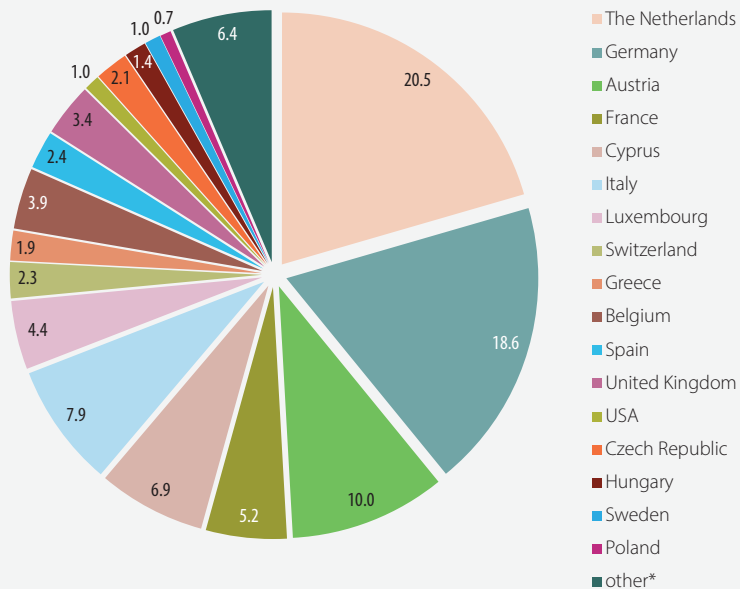
### Total FDI (EUR 70,113 million)

percent



### FDI in greenfield enterprises\*\* (EUR 39,652 million)

percent



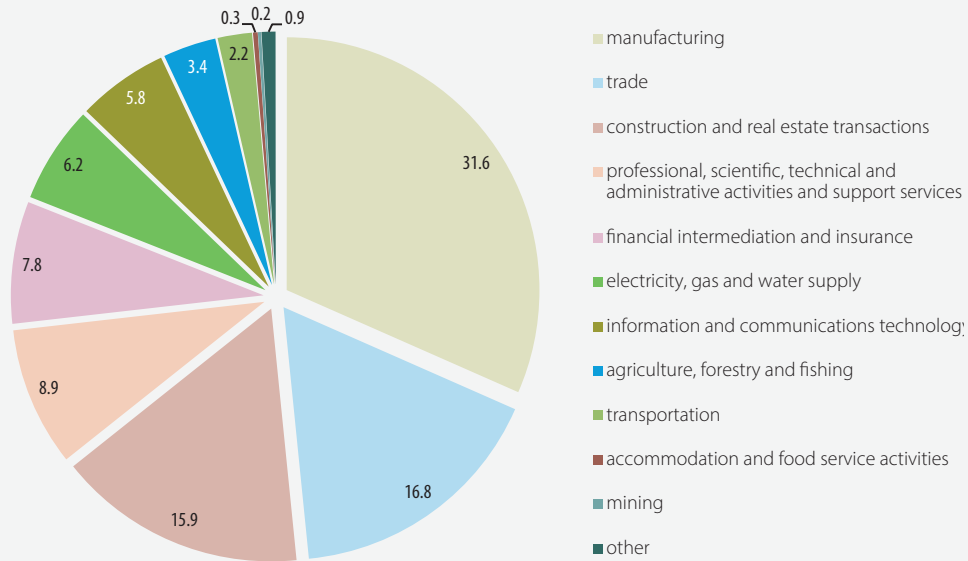
\* countries which invested less than EUR 500 million

\*\* greenfield enterprises – enterprises established as greenfield investment companies

FDI IN GREENFIELD ENTERPRISES\* (STOCKS)  
by main economic activity as at 31 December 2016

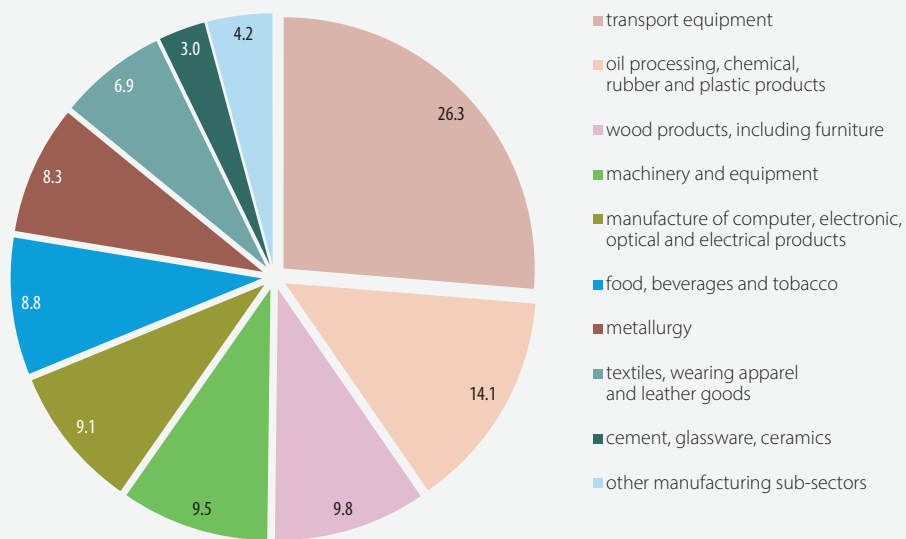
**Total economy**  
**(EUR 39,652 million)**

percent



**Manufacturing**  
**(EUR 12,525 million)**

percent



\* greenfield enterprises – enterprises established as greenfield investment companies

