



DESK MARKET RESEARCH ON ROMANIA

Prepared by:



Market Development Division

Sri Lanka Export Development Board

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01. ROMANIAN MARKET OVERVIEW

General Information

• Capital:	Bucharest
• Population:	19,364,558
• Area:	238,391 sq. km
• Population density:	84.6 people per sq. km
• Total real GDP in 2019:	US\$ 230.0 bn
• GDP per capita:	US\$ 11,877.9
• Profit tax:	15.6%
• Currency:	Lei (RON)
• Exchange rate:	USD/RON = 4.22
• Time zone:	UTC+ 2
• Dialing code:	+40
• Major Airports in Romania:	Henri Coandă International Airport, Bucharest, Cluj Avram Iancu International Airport, Traian Vuia International Airport

Source: Romania Statista Country Report



Figure 01: Romania Country Map



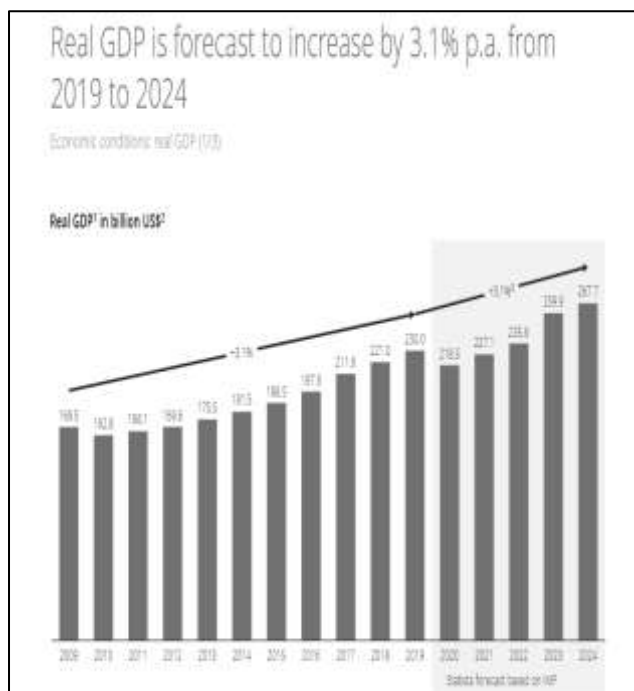
Figure 02: Romania Flag

Economy in Romania

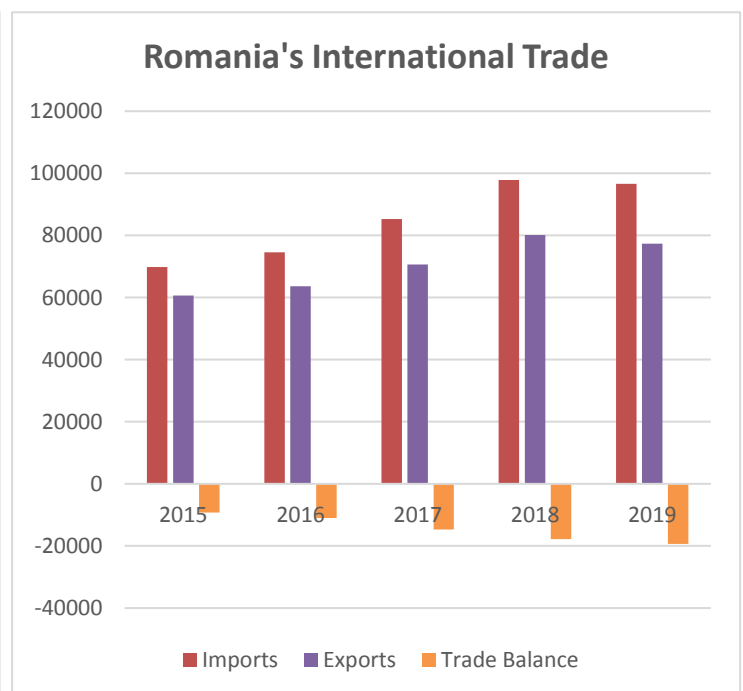
Romania is an upper middle-income country with a population growth of -0.7% in 2020. Real GDP is forecasted to increase by 3.1% p.a. from 2019 to 2024. Romania had a fiscal deficit of 3.0% of GDP in 2018. Moreover, household consumption expenditure in Romania was lower than regional average. Unemployment rate was 3.9% in 2019 and is projected to be 5.1% in 2025. In the "labor market" area, Romania is 5.0 points behind the regional high performer. In addition to that, it takes 20 days to start a business in Romania compared to the regional average of 9 days. With an index score of 62.7, the operational risk in Romania is relatively low. Additionally, Romania as registered a higher export trade flow than the regional average in 2018.

Romania will remain an attractive investment locale because of its growing domestic market as well as its ability to provide goods and services competitive in the global economy. According to the Heritage foundation in USA, Romania's economic freedom score is 69.7, making its economy the 38th freest in the 2020 *Index*. Its overall score has increased by 1.1 points due to the higher government integrity score. Romania is ranked 21st among 45 countries in the Europe region, and its overall score almost matches the regional average and is well above the world average in economic freedom.

Romania is a popular nearshoring location due to their proper mindset, attitude of employees, strong IT, finance, and accounting skills, as well as a wide range of foreign languages spoken, good labor arbitrage, and lowers costs compared to Western Europe.



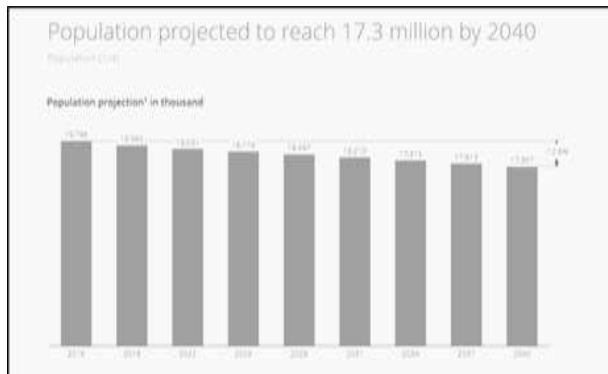
Source: Romania Statista Country Report
Figure 03: Real GDP Forecast from 2019 to 2024



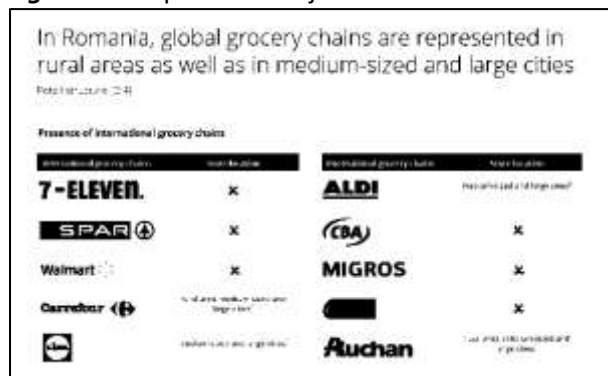
Source: ITC Trade Map
Figure 04: Romania's International Trade

Social, Retail and Consumption

- Population projected to reach 17.3 million by 2040.
- In global comparison, Romania has a very high level of human development.
- The retail market in Romania is well-developed.
- Consumers in Romania spend the most in the area of “Food, non-alcoholic Beverages”.
- With US\$1,701.6m and a share of 52.8%, ecommerce generated the highest digital revenues in 2019.
- The total FinTech transaction value is forecasted to grow by 16.2% from 2019 to 2024.
- 67.2% used the internet and there were 117.1 mobile cellular subscriptions per 100 people.
- Presence of international super market chains.
 1. Kaufland (discount Hypermarket)
 2. Carrefour (Hyper market)
 3. Lidl (discount supermarket)
 4. Profi (supermarket)
 5. Mega Image (supermarket)
 6. Shop & Go (Convenient Store)



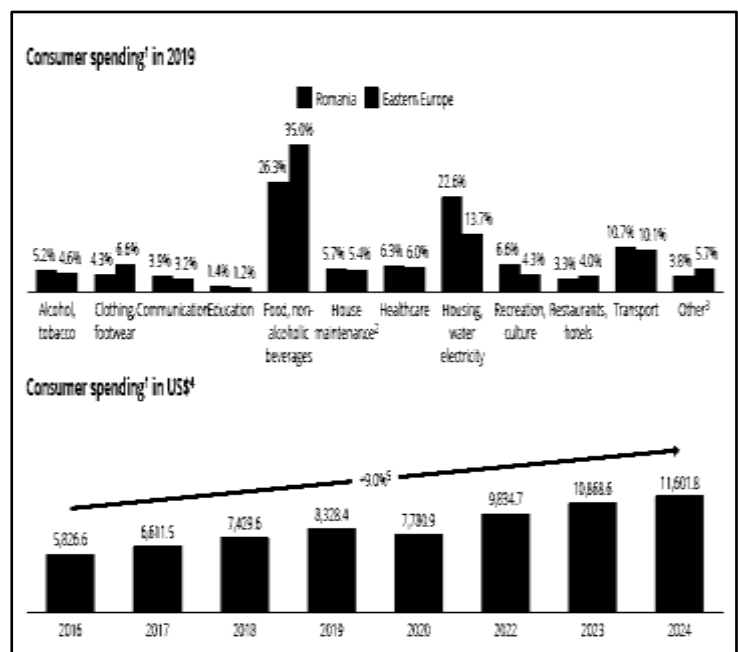
Source: Romania Statista Country Report
Figure 05: Population Projection from 2016 to 2040



Source: Romania Statista Report
Figure 07: Presence of International grocery chains



Source: Romania Statista Report
Figure 06: Development Stages of retail market



Source: Romania Statista Report
Figure 08: Consumer Spending in Romania

Main Industry Sectors of Romania

Breakdown of Economic Activity By Sector	Agriculture	Industry	Services
Employment By Sector (in % of Total Employment)	22.4%	30.0%	47.5%
Value Added (in % of GDP)	4.3%	29.0%	56.2%
Value Added (Annual % Change)	10.0%	3.7%	8.1%
Main Products	Cereals, Sugar Beets and Potatoes	Vehicle parts, Building, and Construction, Petroleum refining and Textiles	Tourism, Technology Sector

Source : World Bank, 2018

Romania's Import Partners (USD)

Exporters	Imported value in 2015	Imported value in 2016	Imported value in 2017	Imported value in 2018	Imported value in 2019
World	69,857,682	74,604,617	85,318,177	97,877,633	96,644,319
Germany	13,846,873	15,291,038	17,127,144	20,025,060	19,506,528
Italy	7,619,965	7,666,053	8,581,637	9,198,752	8,830,558
Hungary	5,552,453	5,601,779	6,379,743	6,717,082	6,808,332
Poland	3,384,117	3,833,351	4,659,987	5,439,799	5,776,424
China	3,205,017	3,818,301	4,252,802	5,210,996	5,094,577
France	3,905,156	4,135,602	4,520,401	4,993,490	4,749,916
Turkey	2,535,889	2,836,702	3,384,837	4,262,609	4,322,273
Netherlands	2,798,509	3,062,011	3,438,345	3,795,933	3,811,448
Russian Federation	2,207,503	2,189,118	2,777,104	3,698,652	3,472,941
Austria	2,690,976	2,662,807	2,841,670	3,213,866	3,017,915
Czech Republic	1,992,112	2,109,532	2,460,096	2,863,029	2,930,731

Source: ITC trade map

Main Import Products by Romania

USD Mn

Product Code	Product label	Value 2015	Value 2016	Value 2017	Value 2018	Value 2019
	All products	69.8	74.6	85.3	97.9	96.6
85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television	10.6	11.6	13.2	15	14.6
84	Machinery, mechanical appliances, nuclear reactors, boilers; parts thereof	9.3	9.3	10.4	12.2	11.6
87	Vehicles other than railway or tramway rolling stock, and parts and accessories thereof	6.2	7	7.8	9.7	9.6
27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral . . .	4.4	4.2	5.6	7.3	7.4
39	Plastics and articles thereof	3.8	4	4.6	5.2	4.9
30	Pharmaceutical products	2.9	3	3.3	3.5	3.8
72	Iron and steel	2.4	2.2	2.9	3.3	3.1
73	Articles of iron or steel	2.2	2.2	2.6	3.2	3
90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical . . .	1.5	1.5	1.9	2.2	2.5
40	Rubber and articles thereof	1.3	1.3	1.6	1.8	1.8

Source: ITC Trade Map

Main Import Services by Romania

- Travel
- Transportation
- Computer & Information Services
- Construction
- Insurance Services

Main Export Products from Sri Lanka to Romania

USD Mn

Product Code	Product label	Value 2015	Value 2016	Value 2017	Value 2018	Value 2019
H.85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers and parts and accessories of such articles	2.52	4.95	5.46	5.14	4.31
H.40	Rubber and articles thereof	1.95	3.04	3.88	4.13	3.81
H.09	Coffee, tea, mate and spices	0.55	0.54	0.28	0.3	0.46
H.61	Articles of apparel and clothing accessories knitted or crocheted	0.04	0.05	0.09	0.24	0.32
H.63	Other made up textile articles; sets; worn clothing and worn textile articles; rags	0.1	0.17	0.08	0.11	0.15
H.53	Other vegetable textile fibres; paper yarn and woven fabrics of paper yarn	0.13	0.05	0.21	0.16	0.14
H.23	Residues and waste from the food industries; prepared animal fodder		0.12	0.06	0.12	0.09
H.39	Plastics and articles thereof	0.04	0.02	0.01	0.01	0.08
	Other	0.56	0.2	0.36	1.02	0.3
	Total	5.89	9.14	10.43	11.23	9.66

Source: Sri Lanka Customs

Main Import Products from Romania to Sri Lanka

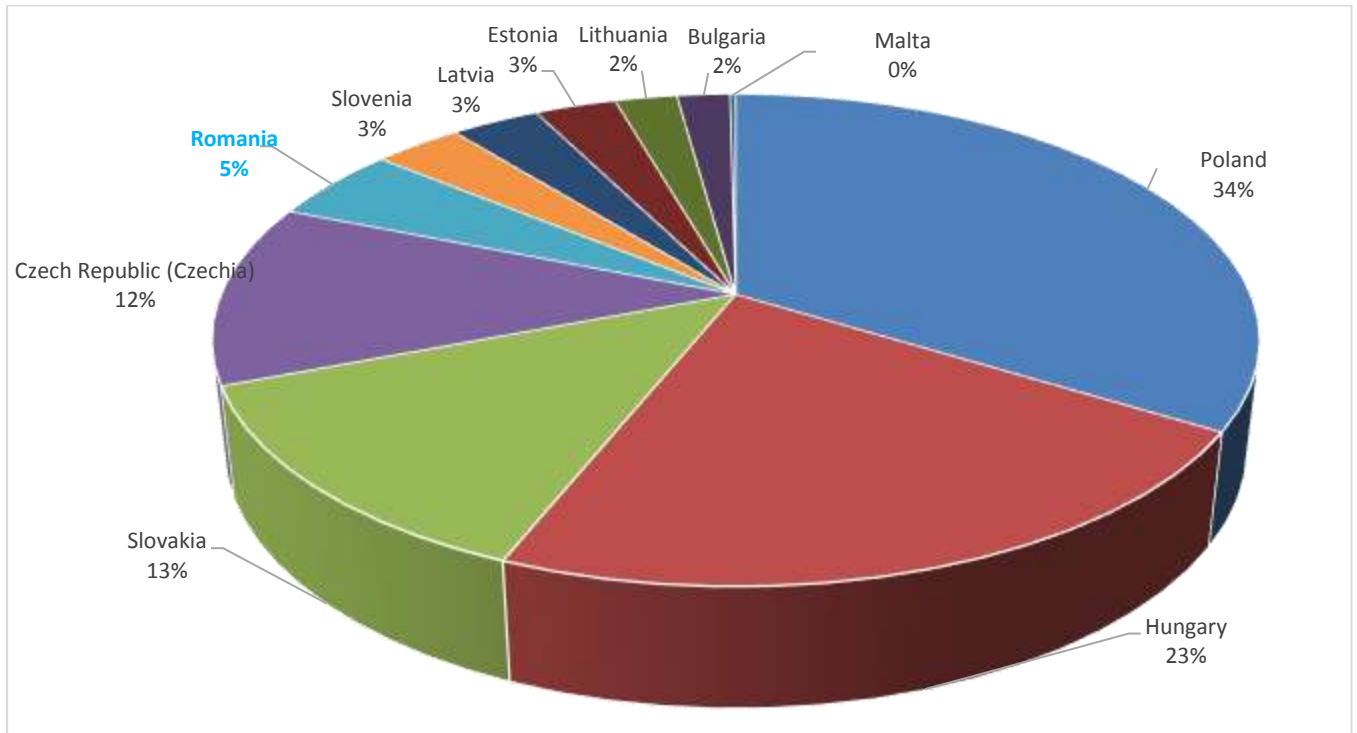
USD Mn

Product Code	Product label	Value 2015	Value 2016	Value 2017	Value 2018	Value 2019
H.10	Cereals	-	2.8	5.29	14.82	13.78
H.28	Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, of radioactive elements or of isotopes		0.13	0.66	0.11	0.47
H.90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus; parts and accessories thereof	0.04	0.14	0.43	0.48	0.46
H.85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	0.58	0.3	0.21	0.12	0.38
H.02	Meat and edible meat offal	-	-	0.01	0.27	0.31
H.40	Rubber and articles thereof	0.15	0.09	0.15	0.07	0.17
H.51	Wool, fine or coarse animal hair; horsehair yarn and woven fabric	-	-	...	-	0.13
H.84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	0.11	0.22	0.38	0.35	0.12
H.73	Articles of iron or steel	...	-	...	0.03	0.1

H.58	Special woven fabrics; tufted textile fabrics; lace; tapestries; trimmings; embroidery	...	0.03	0.11	0.22	0.08
	Other	0.29	0.7	1.18	0.54	0.51
	Total	1.17	4.41	8.42	17.01	16.51

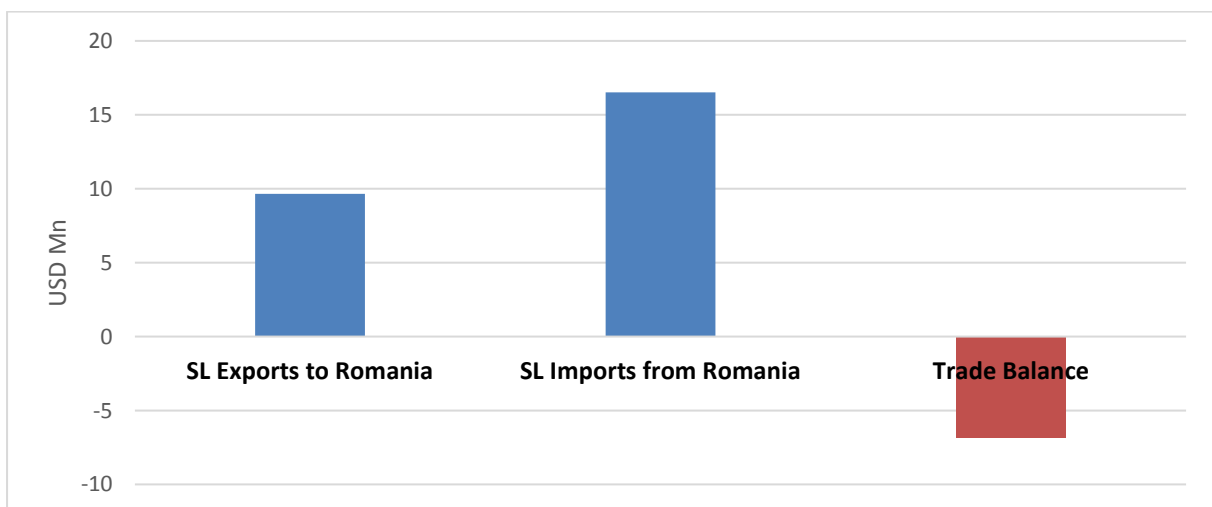
Source: Sri Lanka Customs

Sri Lanka's Exports to Eastern European Countries



Source: Sri Lanka Customs

Sri Lanka's Trade Position with Romania



Source: Sri Lanka Customs

02. POLITICAL AND LEGAL ENVIRONMENT

Trade policies for “imports” in Romania.....

1. European Custom Code regulations should be followed when doing business in Romania.
2. When dealing with import-export duty and taxes regime, the custom tariffs are generally adapted to E.U specifications. In this manner, Romania guarantees the most-favored-nation (MFN) treatment or improved treatments to WTO or other non-members of WTO.
3. There are specific measures to be taken in to account which only applies to agricultural products. Concerning the Romanian import-export duty and taxes, the E.U imposes some values or quantitative quotas on imports from other countries. It is highly recommended to request an import license before importing such products. Import/export licenses are also mandatory for commodities considered as potentially harmful to human health or to the environment.
4. EU Common customs tariff is the most important legal basis that should be taken in to account when evaluating import regulations in Romania, trading with third-country nations.

03. ROMANIAN BUSINESS CULTURE

1. Communication standards

- Direct communication is preferred in Romania,
- A firm handshake and maintaining eye contact are considered important,
- Romanian is used as the primary business language in the country. English is not widely used and language interpreters are necessary for doing business with local partners
- Hierarchy is considered very important in the business culture.
- Bargaining is common.

2. Business meeting procedures

- Even though formal business meetings are usually scheduled in advance, it is not uncommon for them to be rescheduled.
- Time management is considered essential, but meeting schedules may be subject to change.

3. Conflict management

- Business conflicts are predominantly resolved through discussion

4. Importance of business networks

- In Romania, it is rather important to maintain a strong business network through personal and professional contact to succeed in business.

5. Slow business months

- Business is slower than usual during the months of July and August and towards the end of December.

6. Gender equality

- There has been a lot of progress towards removing gender discrimination; men still dominate the corporate sector.

7. Work-life balance

- Social and work life is intertwined, and achieving a work-life balance is difficult in the Romanian business culture.

Facts you should know about the Romanian business culture

- Titles are important in Romania: you should always address people by their professional or academic title with their name, or "domnul" (Mr) or "doamna" (Mrs. or Ms.), along with their family name. It is unusual to use first names in Romanian business.
- Negotiations can be tough. Decisions are only made by the most senior member of the Romanian side. Avoid confrontational behavior or high-pressure sales tactics.
- Romanians are quite direct and frank but take care to be courteous and not offend people.
- Romanians value their privacy very much and feel uncomfortable if asked personal information.
- It is a relationship-driven culture but at the same time very private. It takes a while to earn trust, but once this happens it opens many doors.
- Remain flexible in your approach when doing business in Romania

04. Transportation

1. Airway Mode

The airlines member of the Sky Team partnership (Delta, KLM, Air France and Alitalia) offer excellent connections from all major airports in North America to Romania's capital city - Bucharest. Romania's national airline Tarom as well as all major European Airlines are offering non-stop flights from cities in Western and Central Europe to Bucharest.

1. International Airport facilities.
 - Henri Coanda International Airport-Bucharest.
 - Cluj Avram Iancu International Airport.
 - Timișoara 'Traian Vuia' International Airport.
 - Iași International Airport.
 - George Enescu International Airport.
 - Târgu Mureș Transylvania Airport
2. Domestic Flights.
 - National Airline – Tarom.
 - Budget Airlines - Blue Air, RyanAir, and Wizz Air.

2. Shipping Mode

Romanian companies operate over 700 ships of which 400 are registered in Romania. Romania's 110 shipping firms employ 12,500 personnel at sea and 15,500 on shore. Each year, 105 million tons of goods and 1 million passengers are transported by sea. Marine transport is responsible for 52% of Romania's imports and exports.

1. Insurance and shipping related service providers.
 - BBN International Cargo Inspection Co., Ltd.
 - Interservices S.A.
2. There are 1,731 km of navigable waterways in Romania (including 1,075 km on the Danube river, 524km on secondary networks, and 136 km of canals).
3. Ports
 - The Port of Constanta.
 - The Port of Tulcea.
4. Sea Transport Organization
 - Romanian Ministry of Transportation

3. Railway Mode

Romania has a well-developed railway network that covers virtually the whole country. Trains are one of the most popular means of getting around Romania. They are inexpensive and generally on time.

1. Romania has a well-developed railway network which is more inexpensive and widely used around the country.
2. Three different services are offered.
 - Regional trains.
 - Inter-Regional trains.
 - InterCity trains.
3. Freight operators in the national railway network.
 - Grup Feroviar Roman (GFR).
 - LTE Logistic & Transport Europe.
 - Rail Force.
 - RC-CF Trans.
 - Transferoviar (TFG).
 - Unicom Tranzit.
4. Rail Transport Organizations.
 - Ministry of Transportation
 - Romanian Railway Licensing Body

4. Road Mode

- The total highway length in Romania was 806km in 2018.
- Three-lane roads, four-lane roads, and six-lane roads.
- The government has prioritized several highway projects for the upcoming 10 years.
- Effective truck transport system in Romania.

05. POTENTIAL PRODUCTS TO ROMANIA FROM SRI LANKA

According to the market analysis (Annex I), the following Industrial and food products have been identified as potential to Romanian market which could be exported under zero import duty by utilizing EU GSP Plus.

Potential Industrial Products

Considering the Sri Lanka's export capacities and Romania's market demand, following industrial products have been identified as potential export products from Sri Lanka to Romania.

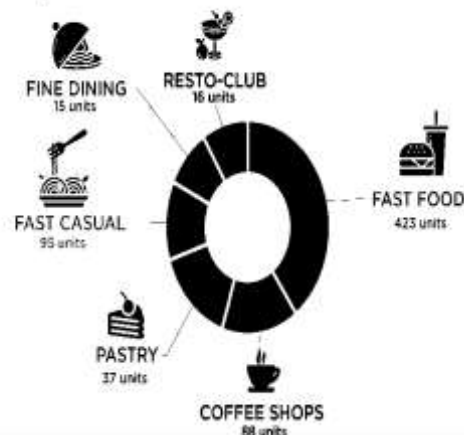
01. Gloves (plastics/rubber, knit/crochet)
02. Apparel (Women's briefs & panties of cotton, knit/crochet, Brassieres etc.)
03. Vulcanized Rubber Articles
04. Activated Carbon

Potential Food and Beverage Products

As the Romanians spend a big percent of their incomes on food and beverage, the F&B sector has shown a constant growth in Romania with a shift towards upper quality F&B Concepts. According to the analysis, the following F&B products are identified as potential product from Sri Lanka to Romania.

- Spices (Pepper, Cinnamon, nutmeg, cloves)
- Fruits and vegetables (Organic Bananas, Tomato's, Lettuce, Gherkins)
- Coconut Kernel Products (Desiccated Coconut, Coconut Oil)
- Black Tea
- Bakery and Confectionery products
- Processed Food

Foodie Map of the restaurant business in Romania



Source: Food & Beverage Romania Market Report 2019

Figure 09: Foodie Map of the restaurant business in Romania

06. POTENTIAL SERVICES TO ROMANIA

- ICT Services (Cyber Security, E-commerce)
- Communication (call Center operation)
- Organic Packaging services
- Logistic services

07. MARKET ENTRY STRATEGIES

1. Using an Agent

- In Romania, local agents, distributors, and joint venture (JV) partners can contribute significantly to the success of foreign companies.
- When establishing a contract with a distributor or JV partner, foreign companies are advised to seek legal advice for compliance with Romanian and EU regulations, business practices, and legislation.

2. Establishing an office

- In order to set up a company in Romania, you first need to choose the type of business form, to prepare the file and to submit the application at the Trade Register.
- The most common forms of business used in Romania are the Limited Liability Company along with the Joint Stock Company and Branches.

3. Distribution and Sales Channels

- Selecting a distributor is a serious strategic decision with business and legal implications.
- Suppliers can use either direct or indirect distribution channels depending on the goods to be sold.
- Direct distribution is mostly used for consumer goods whereas indirect distribution is used for industrial goods.
- A lot of imported goods are sold through shopping centers, supermarkets, Cash & Carry stores, self-service department stores, department stores or specialized retail stores.

4. Direct Marketing

- Direct Marketing in Romania has been dampened sales with E-commerce emergence and consumer internet-based product research practices. Younger consumers' preference towards e-commerce due to quick delivery and ability to review and research products by themselves.
- Direct selling is focused on beauty and personal care, however, the health and wellness trend is increasing as well.
- In 2019, direct selling was largely a female-focused distribution channel in Romania.
- International players continued to dominate direct selling since 2019.

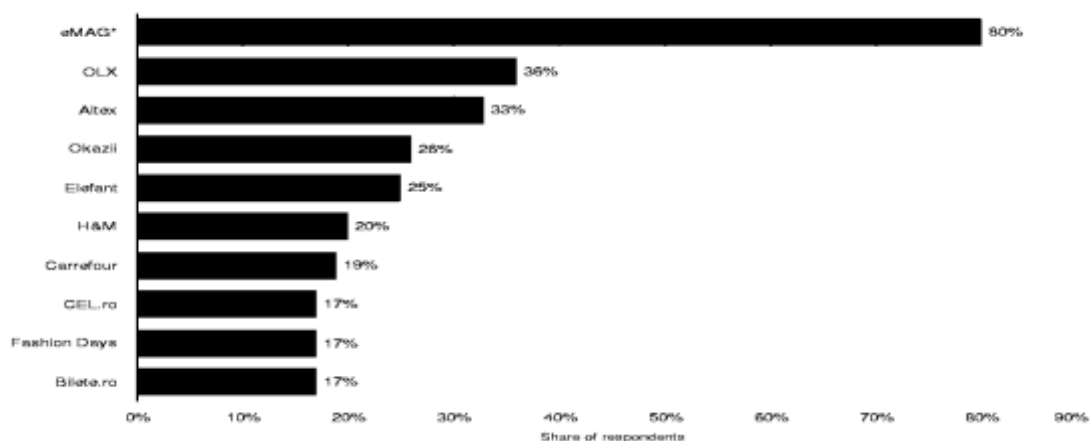
5. Trade Fairs

- **Baby Boom show** - products and services for babies and families in Romania.
- **Agromalim** - International Fair for Agriculture, Foodstuff Industry, Packaging, and Related Services.
- **Antique Market** - Bucharest Antiques Fair.
- **BIFE – SIM** - International Fair for Furniture, Wooden Products, Furniture Fittings, Interior Decorations; Forest Exploitation, and Wood Processing.
- **Cleaning Show** - Professional Cleaning Exhibition in Romania. Cleaning Show attracts producers and retailers of industrial, professional, and domestic cleaning equipment, sanitary hygiene tools, supplies, accessories and detergents, cleaners & dry chemicals merchants.
- **INVENTIKA** - International Show of Inventions, Scientific Research, and New Technologies.
- **Cosmetics – Beauty – Hair** - International Show for Cosmetic Products, Embellishment, Ornaments, and Hairdressing.
- **MODEXPO** - International Exhibition of Textiles, Ready-Made Clothes, Leather Goods, Furs, Footwear & Leatherwear.
- **Expo Drink & Wine** - International Exhibition of Wines, Alcoholic & Non-Alcoholic Drinks, and Production Equipment.
- **INDAGRA** - International Exhibition of Equipment and Products in the fields of Agriculture, Animal Husbandry and Foods.
- **INDAGRA Food & Drink** - International exhibition of equipment and products for the food industry.
- **Fishing & Hunting Expo**
- **ROMHOTEL** - International Exhibition of Architecture, Equipment, Materials, and Furniture for Hotels, Restaurants, Casinos and Communities, Tourism Equipment and Services.
- **Christmas Gifts Fair** - International Exhibition of Christmas Presents, Gifts and Souvenirs.
- **Expo Flowers & Garden** - International exhibition for flower business, landscape design, horticulture, and gardening.
- **ROMTHERM** - International Exhibition of Heating, Cooling, Air Conditioning, and Insulating Equipment.
- **AMBIENT** - International Trade Fair of Products and Systems for Interior & Outdoor Decoration, Furniture, and Swimming Pools.
- **ROMMEDICA** - International Exhibition of Medical Equipment and Instruments.

6. E-Commerce

- There are currently 10.26 million e-commerce users in Romania, out of which 3% are cross-border shoppers.
- Furthermore, about 8 in 10 shoppers live in cities, and 44% of urban Internet users made at least one purchase a month. And the average online shopper in Romania is between 25 and 35 years old.
- The biggest online stores in Romania are eMAG.ro, Altex, Domo and Elefant.
- As for how Romanians make online purchases, most prefer computers and laptops, but the number of people using their smartphones to shop is increasing. In 2017, 18% of people shopped online using a mobile device.
- Romania has one of the fastest e-commerce growth rates in Central and Eastern Europe in terms of the number of visits from mobile devices, with an average growth of 41%.
- The absolute lion's share of online consumers in Romania (90%) prefers to pay cash-on-delivery. But when it comes to utility payments, travel, event tickets and other online services, paying using cards is the preferred method.
- The most popular product categories in the Romanian e-commerce industry are consumer electronics, fashion and home & deco. Consumers spent about 140 million euros online on clothes and shoes in 2014.
- The average spending per online shopper was 786 euros in 2015, according to the Ecommerce Foundation.
- According to the ARMO (*Romanian Association of Online Stores*), the **Romanian e-commerce market** reached 4.3 billion euros at the end of 2019, 20-22% more than in 2018 when the value of online commerce was estimated at approx. 3.6 billion euros

Most popular websites for online shopping on Black Friday in Romania in 2019



Source: Romania Statista Report

Figure 10: Most Popular web sites for Online Shopping on Black Friday in Romania in 2019

08. CUSTOMS REGULATIONS AND STANDARDS

1. Trade Barriers

- Tariff
- Quotas
- Embargo (Trade Sanctions)

2. Import Tariffs and Non - Tariff barriers

Romania does not impose import quotas or tariffs. Import permits are required for the import of pharmaceuticals, chemicals and medical products. Health and safety standards are in force along with pollution standards for products which could harm the environment. Agricultural safety certificates are required for the importation of plants and vegetation.

3. Custom Duties and Taxes on Imports

Customs duties no longer exist for commercial trade with other EU countries. For third country nations, customs duties are generally low, and Romania applies the European Union's Common External Tariff.

4. Import Requirements and Documentation (Romania country commercial guide, 2019)

- The official model for written declarations to customs is the Single Administrative Document (SAD).
- According to 'SAFE' standards set by the World Customs Organization (WCO), the European Union has set up a new system of import controls, the "Import Control System" (ICS), which aims to secure the flow of goods at the time of their entry into the customs territory of the EU.
- Merchandisers are required to pass an Entry Summary Declaration (ENS) to the customs of the country of entry, prior to the introduction of goods into the customs territory of the European Union.
- The Modernized Customs Code, simplifies procedures, by computerizing and centralizing transactions.
- Romania customs authorities encourage the use of an ATA (Admission Temporaire/Temporary Admission) Carnet for the temporary admission of commercial importing samples.
- Economic Operator Registration and Identification (EORI).
- Registration, Evaluation and Authorization and Restriction of Chemicals (REACH).
- Waste Electrical and Electronic Equipment (WEEE) Directive.
- Restriction on Hazardous Substances (RoHS).

5. Standards for Trade

- Agricultural Standards.
- Packaging and Labeling Requirements.
- Conformity Assessment.
- Product Certification.
- Import Requirements.

6. Trade Agreements

- Member of European Union.
- Member of European Economic Area.
- Sri Lanka – Romania bilateral cooperation (joint trade and economic cooperation, 2020).

7. Labeling Requirements

- **Textiles**

Romania requires labels to be in Romanian, English or all languages.

- **Footwear**

The label must be legible, firmly secured and accessible, and the manufacturer is responsible for supplying the label and for the accuracy of the information.

- **Cosmetics**

Easily legible and visible characters should be as follows:

- ✓ The name, trade name and address, or registered office of the manufacturer or person responsible for marketing the cosmetic products.
- ✓ The nominal contents at the time of packaging. (by weight or volume)
- ✓ The date of minimum durability of the product.
- ✓ Particular precautions for use.
- ✓ The batch number or product reference.
- ✓ The product's function.

- **Automotive**

- ✓ Every vehicle component must be certified for safety as specified under the various directives relating to automobiles.
- ✓ The number shown in the rectangle on the label indicates the Member State in which the approval process was conducted. The number for Romania is "19". A "base approval number" must also be provided in line to this certification. This four-digit number will correspond to the directive and type of device.

- **Tire**
Tire label legislation requires that tire manufacturers declare fuel efficiency, wet grip, and external rolling noise performance of C1, C2, and C3 tires (i.e., tires mainly fitted on passenger cars and light- and heavy-duty vehicles).
- **Wood Packaging**
 - ✓ The EU has adopted legislation to ensure pest control in wood packaging.
 - ✓ The marking used for regulated materials is based on the International Plant Protection Convention compliance symbol.
- **Materials in contact with food**
 - ✓ Manufacturers of containers, plates, cups, and other material that is intended for food are required to check the compliance of their product with EU chemical safety requirements.
 - ✓ It is mandatory to comply with the legislation, but the use of the symbol is voluntary.
- **The Eco- Label**
The European Eco-label enables European consumers, including public and private purchasers, to easily identify officially approved green products across the EU, Norway, Liechtenstein, and Iceland.
- **The e – mark**
 - ✓ The e-mark acts as a metrological "passport" to facilitate the free movement of prepackaged goods.
 - ✓ It guarantees that certain liquids and other substances have been packed by weight or volume in accordance with the directives.

09. CONCLUSION

Romania will remain as an attractive export destination because of its growing domestic market. Several market entry means can be used in order to enter to the Romanian market such as using agent, trade Fairs, Joint ventures, e – Commerce etc. According to the statistics, the E commerce market has constantly grown during past years and with the COVID – 19 outbreak, ecommerce has become very popular in Romania. Moreover, European Custom Code regulations should be followed when doing business in Romania. Being EU GSP Plus eligible country, Sri Lanka has a good potential in exporting rubber, food and beverage products to Romania market.

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Annex I

Export Potential Analysis for Romanian Market

H.S. Code	Product	Untapped Export Potential (USD Thousands)	MFN	Applicable Tariff for Sri Lanka	Unit Value (USD per Ton)	Growth in Import Value 2015-19	Competitors	SL Competitive Position	Market Share	Romania's Import Ranking
'611610	Gloves with plastics/rubber, knit/crochet	2,000	8%	0% (EU GSP Plus Scheme)	27,545	168%	1. China – 27% 2. Belgium – 17% 3. Czech Republic – 11.1%	13	1.6%	27
'610821	Women's briefs & panties of cotton, knit/crochet	1,200	12%	0% (EU GSP Plus Scheme)	No Data	No Data	1. Germany – 33.4% 2. Poland – 28.3% 3. Turkey – 7%	20	0.2%	27
'621210	Brassieres	1,200	6.5%	0% (EU GSP Plus Scheme)			1. Poland – 25.3% 2. Germany – 14.9% 3. Hungary – 14%	25	0.2%	44
'611120	Babies' garments & accessories of cotton, knit/crochet	765.8	8.9%	0%	14,375	96%	1. Poland – 54.2% 2. Italy – 10% 3. Spain – 6%	18	0.2%	24
'620342	Men's trousers & shorts of cotton	677.6	12%	0%	No Data	No Data	1. Spain – 12.6% 2. Poland – 12.4% 3. Austria – 11.9%	154	No Data	27
'401519	Gloves of vulcanized rubber (excl. surgical gloves)	673.7	2.7%	0%	-	-	1. Malaysia – 44.1% 2. Belgium – 15.4% 3. Thailand – 8.5%	39	0%	44
'090411	Dried pepper (excl. crushed or ground)	559	0%	0%	-	-	1. Vietnam – 24.2% 2. Poland – 20.2% 3. Brazil – 17.8%	29	0%	36

'400129	Natural rubber, balata, gutta-percha, guayule, chicle and similar natural gums, in primary forms or in plates, sheets or strip – Other natural rubber, in primary forms or in plates, etc, nes	369.9	2.7%	0%	1,833	-1%	1. Malaysia – 46.7% 2. Ivory Coast – 19% 3. Czech Republic – 17.8%	11	0.6%	13
'080111	Coconuts, desiccated	299.2	0%	0%	1,540	-	1. Hungary – 28.3% 2. Indonesia – 18.4% 3. Germany – 17.1%	6	4.9%	46
'090230	Black tea(fermented) & partly fermented, whether or not flavoured, in packings of <=3kg	280.7	0%	0%	22,600	1%	1. Poland – 61.7% 3. Austria – 5.3% 4. Germany – 5.1%	2	5.3%	68

Source: ITC Trade Map