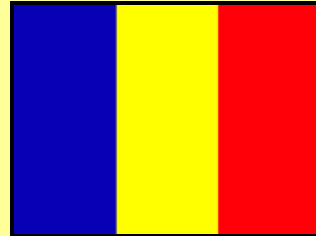


ROMANIAN TRADE NEWS



Business Bulletin No:16

March 2010

Message from editor

In the spotlight **RAY BRADEN**

This month we have the pleasure to present an extract of the interview with Ray Braden, vice-president of British-Romania Chamber of Commerce and KPMG's tax director.

Gabriela Radu
Trade Commissioner

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Romanian spring

In the last seven years Ray Braden spent getting to know the Romanian business environment, he became one of the most credible sources of information for the foreign investors who are interested in the Romanian market. He gave them advice, directions, he encouraged them and shared the joy of the people Romania made rich. In the last few years, most expats came to Romania expecting to make it big, with the declared purpose of making money and accepting the risk of being temporarily severed from the West, which offers the guaranty of a well put together system. Romanians' life style and work ethic were unknown to most expats who dared to come here. But once they got to Bucharest, they discovered a most wonderful surprise: a European capital, cosmopolite, modern and extremely dynamic. Braden is, perhaps, the most suited narrator of expats' life in Romania, where among inter-war buildings, on mountain paths or through the Delta's waste wilderness, he remembered he was more than just a tax expert.

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News from Romania	

Q: What brought here in Romania and what convinced you to stay?

A: I am a tax advisor by profession and have over 41 years of experience, having worked for the UK Tax authorities and in the pharmaceutical industry as an in-house advisor. Eight years ago I wanted to do something different and decided to move to an emerging market, and so I came to Romania and joined KPMG as tax director, specialising in advising foreign investors. I was very pleasantly surprised by the volume and variety of work and the professionalism I found here. I very quickly made Romania my home. I found a people here to be warm and welcome.

Coming from an industry background, I have always felt that I have an advantage in talking to investors because I have been where they are trying to go, and can pass to them the benefit of my practical experience. I'm also vice-chairman of the British-Romanian Chamber of Commerce. It is a very important position, and I always try to do my best and represent and promote bilateral business development between the UK and Romania.

Is the Romanian business environment still a good investment opportunity?

Romania has always been a good place to invest. That is because it has a number of important qualities: a large domestic market, with the second largest population of all the countries that joined the EU in 2004 and 2007. The geographical location on the boundary of the EU and on the Black Sea coast makes it a good place to export to neighbouring countries. Romania has a skilled labour force with good foreign languages skills and, of course, a very competitive edge with costs.

What do you advise foreign investors who want to come to Romania?

The first thing: they must have a medium to long term (minimum five years) business plan. The second advice: find a good Romanian business partner with whom you can feel comfortable about implementing your business plan.

How do you think the local economy will develop?

The Romanian economy grew between 6 and 8% a year for the 4 years to 2008, which is extraordinary. In 2009 it slipped back because of the general world downturn, but observers would agree that when Romania comes out of the recession, the situation will improve. Some sectors will grow by more than the average of 6-7%, such as oil and gas exploration, specialist engineering, even high-way construction. Other, like the consumer good sectors, especially cars, won't experience a growth because I expect people are going to be cautious.

In Romania, the world economic downturn may have affected the timing of proposed investments, but nothing else has changed here in terms of the advantages of coming to Romania. It means that, if investors don't come here this year or next year, they will come the year after.

In my opinion, there are very good reasons to be optimistic about the Romanian business environment. Most companies have repositioned and they will come out of the crisis much stronger than before.

Your business position and your expertise here in Romania are surely not easy to gain and to keep and it surely requires quite a lot of time. Do you think it is easier here, in Romania, to acquire a well-balanced life?

I do not think that is easier or more difficult to achieve such a balance as Romania is similar to other European countries. The important thing is to be in control of what you do and want to do.

You have spent the last 8 years in Romania. What place that you've visited appealed to you the most?

My favourite region is Transylvania. I especially like Sibiu. The recently renovated centre of the city is very interesting and I love the city square. In Bucharest, I think Herestrau Park is my favourite place, because of the gardens, the lake-side walk and all the cafés and restaurants.

Doing business in Romania

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Investment in Romania

Investment in Romania is one of a series of booklets published by KPMG member firms to provide information of interest to those considering investing or doing business in various countries.

This publication has been prepared to assist those contemplating investment or commencing operation in Romania or immigrating to Romania. KPMG in Romania provides a wide range of audit, tax and advisory services.

[Download Investment in Romania \(598 KB\)](#)

[Read Investment in Romania online](#)

Tax Audit Guide

On account of the adoption of reduced tax rates, both for corporate from 25% to 16%, as well as the adoption of the unique income tax rate of 16% for physical persons, the fiscal authority in Romania pays an increasing attention to the administration and collection measures of the state incomes.

In this context, the fiscal inspection, as a way of verifying the level of conformity with the fiscal legislation of tax payers, is becoming a more complex lever in collecting the state incomes.

The fiscal inspection, through the multitude of procedures and the aspects it implies, under the increasingly complex development of the fiscal legislation, becomes more complicated, which makes the need for advisors more essential, as they are capable of assisting you throughout the fiscal verification process.

[Download the Tax Audit Guide in Romanian and English \(156 KB\)](#)

Illustrative Financial Statements

The Illustrative Financial Statements were developed to provide a guide for those preparing or reading Romanian Financial Statements in accordance with Ministry of Public Finance Order no. 94/2001. They provide accessible and concise guidance on the format of a complete set of financial statements in accordance with MOPF 94/2001 as at 31 December 2003.

[Download Illustrative Financial Statements in Romanian \(524 KB\)](#)

Romanian Chart of Accounts

The new Romanian Chart of Accounts composed by KPMG contains the latest regulations in the field and is translated in 3 languages.

To get more information, please access:

<http://www.kpmg.ro/index.shtml/en/about/publications/doingbusiness/index.html>

International Fairs in Romania I

April - June 2010

TTR - The Tourism Fair of Romania - SPRING EDITION

DENTA - SPRING EDITION

14 April 2010 - 17 April 2010

International exhibition of equipment, instruments, accessories, materials, chemical-pharmaceutical products for dentistry; oral care products - 23rd edition.

- **organizer:** ROMEXPO S.A.

Website: www.denta.ro

EXPO SECURITY

26 April 2010 - 29 April 2010

International exhibition of security, police, alarm, civil, fire & disasters protection systems- 12th edition - organizer: ROMEXPO S.A

Website: www.exposecurity.ro

EXPOFLOWERS

11 May 2010 - 15 May 2010

International exhibition of horticulture and landscaping, 2nd edition.

Website: www.romexpo.ro/expoflowers

CONSTRUCT EXPO ANTREPRENOR

11 May 2010 - 15 May 2010

International exhibition of materials and systems for construction - 16th edition

- **organizer:** ROMEXPO S.A.

Website: www.constructexpo-antreprenor.ro

CONSTRUCT EXPO UTILAJE

11 May 2010 - 15 May 2010

International exhibition for construction machinery - 4th edition

- **organizer:** ROMEXPO S.A.

Website: www.constructexpo-utilaje.ro

CONSTRUCT EXPO AMBIENT

11 May 2010 - 15 May 2010

International exhibition of interior design, finishing materials, wall & floor coverings, doors & windows, hardware, carpentry, lighting fixtures, decorative accessories, ancillary items - 17th edition. **Doors and Windows Section Indoor and Outdoor**

Decoration Section - **organizer:** ROMEXPO S.A.

Website: www.constructexpo-ambient.ro

ROMTHERM

11 May 2010 - 15 May 2010

International exhibition of heating, cooling and air conditioning equipment - 16th edition

- **organizer:** ROMEXPO S.A.

Website: www.romtherm.ro

CER-GLASS

11 May 2010 - 15 May 2010

International exhibition of products, technologies, machinery and equipment for ceramics, glass and porcelain industries - 11th edition - **organizer:** ROMEXPO S.A.

Website: www.cerglass.ro

ROMMEDICA - UFI approved event

26 May 2010 - 29 May 2010

International exhibition of medical equipment and instruments - 20th edition **ROMPHARMA** - international exhibition of medicines for human and veterinary applications - 20th edition **ROMOPTIK** - international exhibition for optical equipment and apparatus - 16th edition - **organizer:** ROMEXPO S.A.

Website: www.rommedica.ro

MENFEST

04 June 2010 - 06 June 2010

The Only Fair and Festival Dedicated Exclusively to MEN. 1st edition.

TIBCO

09 June 2010 - 13 June 2010

Bucharest International Fair for Consumer Goods - 27th edition

- **organizer:** ROMEXPO S.A.

Website: www.tibco.ro

SUMMER FUN

18 June 2010 - 27 June 2010

1st edition. Organizer: ROMEXPO S.A.

International Fairs in Romania II

June - October 2010

SCHOOL STATIONERY

08 September 2010 - 12 September 2010

Exhibition of stationery, writing materials, school manuals and uniforms - 1st edition. Organizer: ROMEXPO S.A.

BIFE - TIMB - UFI approved event

08 September 2010 - 12 September 2010

International fair for furniture, wooden products, furniture fittings, interior decorations; machinery & equipment for forest exploitation and wood working - 19th edition. - organizer: ROMEXPO S.A.

Website: www.bife.ro

ANTIQUES TRADE

08 September 2010 - 12 September 2010

1st edition. Organizer: ROMEXPO S.A.

LONG LIFE

23 September 2010 - 26 September 2010

International fair for beauty care equipment and accessories, relaxing, body shaping, health care - 1st edition.

COSMETICS BEAUTY HAIR

23 September 2010 - 26 September 2010

International exhibition of products and equipment for cosmetology, body care and hairdressing - 16th edition.

- organizer: ROMEXPO S.A.

Website: www.expocosmetics.ro

MODEXPO - AUTUMN EDITION

23 September 2010 - 26 September 2010

International exhibition of textiles, ready-made clothes, leather goods, furs, footwear and leatherwear - 17th edition

- organizer: ROMEXPO S.A.

Website: www.modexpo.ro

INTERPLAST EXPO

06 October 2010 - 09 October 2010

International exhibition for plastics industry - 5th edition.

TIB - UFI approved event

06 October 2010 - 09 October 2010

Bucharest International Technical Fair - 36th edition. UFI approved event; Organizer: ROMEXPO S.A. ♦ Interplast expo - international exhibition for plastics industry

- organizer: ROMEXPO S.A. ASPAPLAST

Website: www.tib.ro

INVENTIKA

06 October 2010 - 09 October 2010

International exhibition of inventions, scientific research and new technologies -14th edition.

- organizer: ROMEXPO S.A.

Website: www.expoinventika.ro

REAL ESTATE / FINANCIAL FAIR

20 October 2010 - 23 October 2010

Real estate and financing offers - 1st edition. Organizer: ROMEXPO S.A.

DENTA - AUTUMN EDITION

20 October 2010 - 23 October 2010

International exhibition of equipment, instruments, accessories, materials, chemical-pharmaceutical products for dentistry; oral care products - 24th edition.

- organizer: ROMEXPO S.A.

Website: www.denta.ro

HOBBY EXPO

21 October 2010 - 24 October 2010

National fair of materials, equipment, accessories for hobbies, handicrafts, spare time - 1st edition.

TTR - The Tourism Fair of Romania - AUTUMN EDITION

21 October 2010 - 24 October 2010

Romanian Tourism Fair - 24th edition. Organizer: ROMEXPO S.A.

Website: www.targuldeturism.ro

ROMHOTEL

21 October 2010 - 24 October 2010

International exhibition of architecture, equipment, furniture and supplies for hotels and restaurants – 18th edition ♦ Gastronomy show - organizer: ROMEXPO S.A.

Website: www.romhotel.ro

Latest publications

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Latest publications

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We have the pleasure to recommend the newest publications of KPMG Romania:

[Thinking ahead](#)

The new KPMG Romania brochure is now available. It contains full details of our Audit, Tax and Advisory services, and how KPMG Romania can assist both Romanian and multinational companies with a wide range of issues relating to the development of their business in the current challenging economic climate.

[Accessing Business Financing](#)

KPMG Romania has set up a Grants & Incentives Team dedicated to assisting companies interested in obtaining public financial support for their activities. Our professionals assist in the effective use of available financing sources for planned investments, for creating new jobs, ecological activities or training of employees.

[Legal & Tax Aspects of Property in Romania](#)

Real estate in Romania is a fast moving industry, and the legislation is subject to frequent change. Therefore, we strongly advise you to seek professional advice before embarking on any real estate transaction.

EURO COMPRESSION S.R.L.

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Address: 93A+3, 1 Decembrie 1918 Blvd., 540445 Targu Mures, County Mures

Tel: +40.265.266182; **Fax:** +40.265.266599

E-mail: office@eurocompression.com

Web: www.eurocompression.com

Contact person(s): Roger WACHTER, General Manager
Lala MOSKALEVA, Commercial Director

Main Line of Business by NACE Classification:

- 2813 Manufacture of pumps and compressors

Business offer:

- EURO COMPRESSION, a Romanian based company with American ownership and management, is a distributor of gas engine or electric motor driven reciprocating natural gas compressors ranging from 25-300 HP, supplying reliable and cost-effective compression solutions to the worldwide market. In addition to full compressor packages, EURO COMPRESSION is a supplier of compressor related components such as pressure vessels, air-cooled heat exchangers, valves, pressure and flow control valves, etc.
- To ensure customer satisfaction of delivered products, aftermarket parts and service support is another focus of EURO COMPRESSION.
- We offer a wide range of services including start-up and commissioning, operation/maintenance programs and training for the end-users.
- EURO COMPRESSION can also provide consulting and conversion packages to reapply existing compression equipment for new or changing field conditions.
- EURO COMPRESSION staff has more than 29 years experience in the compression industry and a highly experienced staff for importing and exporting goods on a worldwide basis.

ICPE ACTEL S.A.

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Website: www.icpe-actel.ro

Contact person(s): Ion POTARNICHE, General Manager
Cornelia POPESCU, Marketing Counselor

Main Line of Business by NACE Classification:

- 2712 Manufacturing of electrical equipment of distribution and control
- 2790 Manufacturing of other electrical equipment
- 7219 Research & development in other natural sciences and engineering

Business offer:

- ICPE ACTEL S.A., a professional business company based on 60 years of expertise, is a dynamical presence in the industrial power electric drives field, in Romania and in the world, too.
- From 1999, ICPE ACTEL S.A. is a joint-stock company of electric drives.
- ICPE ACTEL S.A. supplies turnkey solutions and products based on power electronic components, modern data acquisition systems and PLC, towards them offer in diverse palette into different fields: power generation and electrical distribution, offshore and onshore drilling, telecommunication, industries (metallurgical, chemical, etc), terrestrial transport (auto, railway) and shipping, agriculture, etc.
- ICPE ACTEL has implemented and maintains the Integrated Management System for Quality, Environment and Health, conforming to SR EN ISO 9001-2001, SREN ISO 14001/2005, and SR EN ISO 18001 / 2004.
- ICPE ACTEL S.A.' services: consulting, technical assistance at mounting and commissioning, service for and after guarantee period, customers' personnel training.
- ICPE ACTEL's export offer:
 - offshore and onshore drilling electric drives equipment
 - statically excitation equipment for synchronous machines for power electrical plants
 - charger storage batteries rectifiers
 - D.C. and A.C. electric drives equipment
 - Export references: France, India, Iraq, Indonesia, Kazakhstan, Kenya, Libya, Republic of Moldova, Russia, Turkey, United Arab Emirates, Thailand

BETA S.A.

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Address: 39, Santierului St., 120226 Buzau, Buzau County

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E-mail: office@betabuzau.ro; Website: www.betabuzau.ro

Contact person: Adrian Viorel DUMITRACHE, General Manager

Main Line of Business by NACE Classification:

- 2511 Manufacture of metal structures and parts of structures

Business offer:

- Chemical, petrochemical and oil refinery industries: pressure vessels, ovens, tanks, decanters, heat exchangers, chlorine tanks, installation for gas separation, assembled on SKID type chassis, reactors, metallic constructions, plate and filling column
- Cellulose and paper industry: filters, conveyers, mixers;
- Environment protection: bag filters, cyclones, chlorine vessels
- Food industry: heat exchangers, boiling tanks, evaporators, condensers, bunkers, bins;
- Thermal power stations: heat exchangers, tanks, degasifiers, ionic filters;
- Power industry: heat exchangers, boiling tanks, equipment for nuclear plants, pipe-line systems for hydro-electric power plants;
- Lens type expansion joints made of carbon or stainless steel;
- Forged and two halves welded fittings: caps, tees, reducers, curves.

NATIONAL INSTITUTE OF RESEARCH AND DEVELOPMENT IN MECHATRONICS AND MEASUREMENT TECHNIQUE

I.N.C.D.M.T.M. BUCURESTI

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Website: www.incmtm.ro

Contact person: Gheorghe GHEORGHE, General Manager

Main Line of Business by NACE Classification:

- 7219 Other research and experimental development on natural sciences and engineering

Business offer:

In Romania, INCDMTM is the only national institute that activates in the area of Mechatronics, a new field with a high degree of integration and specialization and at the same time, a multidisciplinary one. This is why, as a pioneer and a strategy drawer of this high-tech field, INCDMTM develops a wide palette of activities, aimed at ensuring the development of this new science. Our offer includes:

- Methods, technologies and intelligent mechatronic high-tech and integrated control means for checking quality characteristic of industrial products and processes by proceedings specific to intelligent measuring technique:
- Mechatronic "in process" integrated dimensional control systems and equipments for active, automated and computer-based control for the industry (ex.: auto vehicle industry);
- Mechatronic "off-process" integrated dimensional control systems and for the industry;
- Mechatronic concepts, methods and measuring systems designed to improve competitiveness, to increase feasibility and the capacity of industrial products, to carry out new materials, tools made up of tough and extra-tough materials, specific fabrication techniques:
- Mechatronic equipments and system for measuring non-electric measures (pressures, temperatures, masses, forces, time, and so on);
- Micro-nano-technologies;
- Mechatronic research and laboratory devices, biomedical techniques and for environment protection:
- Informatics technology integrated in the design production preparation-control flow:
- Technological transfer and management consulting in mechatronics.

PROMEX S.A.

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Address: 17, Industriei Str. 810391 Braila, County Braila

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E-mail: office@promex.ro; export@promex.ro

Website: www.promex.ro

Contact: Voinea MILEA, General Manager

Mircea TATARU, Commercial Manager

Main Line of Business by NACE Classification:

- 2892 Production of equipment for extraction and buildings
- 2891 Production of equipment for metallurgy

Business offer:

Production and export of:

- equipment for metallurgical industry (foundries, coke plants, rolling-mills for metal sheets and pipes);
- equipment for building material industry;
- equipment for: cement factories, brickworks, stone pits;
- earth moving equipment: tire and crawler hydraulic excavators, loaders, compacting road rollers, hydro mechanical draglines;
- equipment for environmental protection (installations for eco-cleaning, dredging, excavating and aquatic decontamination);
- equipment for naval industry (winches, capstans, on-deck equipment, steering machines, rudders);
- equipment for scrap iron recycling (scrap iron manipulators, scrap packet presses);
- wheel sets and bogies for railway and metallurgical wagons;
- hydraulic components (hydraulic cylinders, hydraulic motors, manifolds);
- castings and forgings
- complex steel structures, including heat treatment, machining and assembling
- different other equipment and components according to our customers documentation

ROMAERO S.A.

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Address: 44, Ficusului Blvd., 013975 Bucharest, 1st District

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E-mail: office@romaero.com; *Website:* www.romaero.com

Contact: Constantin Silviu DINISCHIOTU, General Manager

Main Line of Business by NACE Classification:

- **3030 Aerostructure manufacture**
- **3316 Maintenance, repair and overhaul**

Business offer:

- A. AERO-STRUCTURES MANUFACTURING: extensive sheet metal mfg; Highly expertise in stretch-forming – skins & extrusions; NC machining - milling up to 5 axis; NC turning; Dry & wet lay-up procedure for composites; Minor & major subassy's and complete aircraft mfg.; Welding: fusion, spot, brazing; Tooling for detail parts and assemblies.
- B. PROCESSES: Chemical processes–NADCAP approved; Heat Treatment for aluminum alloys–NADCAP approved; Chemical milling – customers' approved; Painting for details, assys; Painting for small and large aircraft; Glass bead blasting; Laboratory tests – mechanical (hardness, tensile); metallographic, chemical analysis, atomic absorption, salt spray testing
- C. ENGINEERING: CAD & CAM skilled engineers: CATIA V5, ALPHACAM; Production Engineering; Tool Design; Product support design; Electronic Data Interchange – currently used since 2001;
- D. INSPECTION: NDT conductivity – NADCAP approved; Metrological inspection; CMM : 3D inspection equipment DEA BETA LK; Leica Laser Tracker LTD 840, "PolyWorks 10" operating system
- E. MAINTENANCE & REPAIR: A,B,C,D checks for: MD80, BAC 1-11, BAE-ATP, B737, 707, 727 aircraft; Periodic and scheduled light and heavy maintenance including "A" to "D" checks, "CPCP" corrosion prevention and control program; Minor and major airframe repairs; Aircraft conversions business /cargo/ VIP; Cabin interior refurbishing; Engine change and routine engine component checks /changes; Minor engine repairs for engine metallic components i.e. welding; NDT (penetrant liquid, magnetic, Eddy currents, X-ray, ultrasonic); AD/SB applications: Landing-gear inspection and modification; Aircraft weighing; Controls, systems, navigation and radio equipment adjustment /testing; Aircraft painting: Full painting, Partial painting, Stripping or sanding, High-solid paint, Special layout applications; Engine ground testing; IT for aircraft maintenance support.