

PRESS COMMUNIQUÉ

The British Romanian Chamber of Commerce (BRCC), concerned with Romania's situation against the background of the global crisis

The Romanian Government's priority steps aimed at alleviating the impact of the crisis Bucharest, 19 November 2008 – On Tuesday, at the Crowne Plaza Hotel, the British Romanian Chamber of Commerce (BRCC) hosted a debated whose topic was the global economic crisis and the degree to which this could trigger an impact on Romania. Around 35 people from the business environment attended this debate, which analysed several of the Romanian economy's sectors and aspects that might experience a potential risk when faced with the crisis, together with the steps taken into account by the Government in the first quarter of 2009, aimed at alleviating these effects.



Mr. Razvan Orasanu, State Councillor with the Prime Minister's Chancellery was the guest speaker and dealt with the aforementioned topics.

BRCC Chairman Mr. Brian Davies, who chaired the meeting, and Mrs. Marina Sturdza, BRCC Deputy Chair, attended the event on behalf of the BRCC. The audience included officials of the Romanian government, representatives of the NGOs, international organizations, and business people.

The starting point of the debate was based on the statements made by several financial and banking institutions, which all go toward the idea according to which Romania is allegedly facing an imminent economic danger. The State Councillor challenged the substantiation of these assumptions. Following the analysis of the relevant economic indicators, the conclusions of the meeting suggested that, although the international crisis will undoubtedly affect Romania, its effects could be kept under control. According to the governmental official's address, Romania is not facing any immediate risk and it has managed to avoid the losses in the banking system, owing to the NBR's very strict regulations. Moreover, the NBR's 26 billion Euro reserve could cover the possible major problems of the banking system.

According to the State Councillor's statements, at economic level, Romania risks registering a decreased growth rate compared to 2008, but it will however feel the crisis less acutely compared to other EU countries. There is also the possibility of facing a decreased economic growth of the country in 2009, up to the level of 4 to 5%.

The recession in the United States and Western Europe could influence Romania's exports on these markets, which is of about 70%. At the same time, it could become more difficult to obtain development credits, and the forecast investments could be postponed, decreased, or stopped.

From the standpoint of the year 2009, the British Romanian Chamber of Commerce enquired about the major decisions that the government could make in the first quarter of 2009 on: natural gas tariffs, Ownership Fund, support granted to the banking system, amendment of the Fiscal Code, complete revision of the Ministry of Finances' priorities, turning to value the EU and EIB funds in order to limit the effects of the crisis, control of the budgetary expenses and of the budgetary deficit, the setting up (together with the commercial banks) of a mechanism for "injecting" cash or for supplementing the value of the guaranteed credits (measure similar to those taken in most European countries), together with the analysis of the small banks' situation, carried out together with the NBR.

The debate of a strict actuality, whose initiative belonged to the British Romanian Chamber of Commerce, was followed by a Q&A session, focused on the possible evolution of the Romanian economy in the upcoming months. In the end, Mr. Orasanu thanked the British Romanian for the efforts it makes to support the business environment in our country.