



Romania Desk

Overview of Romania


	Capital city:	Bucharest
	EU relationship:	Member since 2007
	Currency:	Romanian leu
	ProCredit Bank branches/subsidiaries:	<ul style="list-style-type: none"> • Bucharest Head Office • Bucharest Victoria Branch • Constanta • Craiova 24/7 Zone • Timisoara Branch • Timisoara 24/7 Zone

Are you considering expanding into the Romanian market? The Romania Desk of ProCredit Bank Germany, in cooperation with [ProCredit Bank Romania](#), offers practical support for companies with business ties in Romania:

Step 1: Develop market understanding and build a network

	<p>Intensive market research</p> <p>Gain an overview of the market, the preferences of potential customers and business partners in Romania the local competition and legal framework. The following contacts and links are useful for gaining an initial impression of the market:</p> <p>German Committee on Eastern European Economic Relations https://www.ost-ausschuss.de/de/laender/rumanien</p> <p>AHK Romania German-Romanian Chamber of Industry and Commerce (ahkromaenien.ro)</p> <p>Invest Romania The Strategic Choice (gov.ro)</p>
	<p>Establish a network of contacts</p> <p>Establish a personal network of contacts in Romania at an early stage. Take advantage of local business networks, trade organisations and government programmes. Visit trade fairs, networking events and industry meetings to find potential partners and engage in in-person discussions.</p>





	A solid personal network is essential to successfully launch your business in Romania. Information on upcoming events can be found on the following page, for example: Events (ahkrumaenien.ro)
	<p>Refine your business ideas with the insight gained</p> <p>Define your business ideas and expand your business model. Our team at the Romania Desk of ProCredit Bank Germany and our colleagues at ProCredit Bank Romania would be happy to answer any questions you may have about financial services on your way to Romania. Feel free to contact us!</p> <p>Romania_Desk@procredit-group.com.</p>


Quick facts:

- Card payments are accepted in most stores and restaurants in Romania. Cash still plays a major role in rural areas.
- Like Germany, normal core working hours in Romania are from 9 am to 5 pm. Stores are usually open Monday to Saturday from 8 am to 8 pm and on Sunday from 8 am to 12 noon.
- Storytelling is a popular method of product presentation. Romanian listeners embrace the motto “Think big”, so products should not be advertised too modestly.

Step 2: Create business relationships based on trust. Personal relationships are crucial for your success in Romania

	<p>Language and culture</p> <p>Romanians are very language-savvy and English is widely spoken. Additionally, some university graduates also speak German. Although English is often spoken in business situations, it is still advisable to learn some basic Romanian. Mult succes!</p> <p>Also consider the benefit of having Romanian workers to conduct business activities locally who are fluent in English and Romanian.</p>
	<p>Professional consultation</p> <p>Thanks to the country’s accession to the EU in 2007, bureaucratic processes have improved significantly. Nevertheless, we recommend that you consult professional advisers to familiarise yourself with the specifics of the Romanian market. The AHK Romania can also help you get started in the market. They can also help you find local law firms and tax consultants:</p>




	AHK Romania German-Romanian Chamber of Industry and Commerce (ahkromaenien.ro)
	<p>Business culture</p> <p>Personal relationships are vital when doing business in Romania. The business culture places a high value on direct interaction. Existing contacts should be actively maintained on a regular basis. While business interactions between colleagues and acquaintances can be relatively informal, initial meetings with new partners or clients tend to be formal. Respect for hierarchy and titles is important, especially when interacting with senior managers 💡 Good to know: meetings are often associated with having meals or drinks together.</p>



Quick facts:

- Being on time for appointments is extremely important and is regarded as a sign of respect.
- Public and aggressive criticism of your own employees is a sign of weakness in Romania.
- If flowers are given as a gift, an odd number should be chosen. An even number is intended for funerals.
- Romanians are very fond of foreign languages. Most inhabitants speak at least one other language in addition to Romanian, such as English or German.

Step 3: Understanding the tax and legal system in Romania

	<p>Tax system</p> <p>Gain insight into the Romanian tax system. The corporate tax rate of 16% is one of the lowest in Europe. In addition, profits that are reinvested in a company's technological equipment are tax-exempt.</p> <p>The value added tax is 16 %. The reduced rates are 9% and 5%. You can find a more detailed overview here: Romania taxes & duties - Tax rates 2023 and 2024 (go-eu.com)</p>
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	<p>Legal advice</p> <p>As part of the European single market, German companies benefit from similar legal requirements. Nevertheless, you should always seek local legal advice for business start-ups in order to understand the current regulations.</p> <p>Further information on what foreign investors from EU countries should look out for can be found here: In brief: regulation of inbound foreign investment in Romania - Lexology</p>
	<p>Government subsidies and incentives</p> <p>Romania benefits from EU funds to reduce regional disparities. This leads to numerous government contracts being put out to tender, e.g. for infrastructure projects. In addition, there are subsidies for small and medium-sized enterprises and tax incentives in certain research-intensive sectors.</p> <p>Government contracts awarded: SEAP (e-licitatie.ro)</p> <p>Information on state aid at Invest Romania: State aid ARICE - Invest Romania (gov.ro)</p> <p>Information on tax incentives at Invest Romania: Fiscal Incentives ARICE - Invest Romania (gov.ro)</p>

Quick facts:

- With a maximum income tax rate of 10%, Romania has one of the lowest tax rates in the EU.
- Social security contributions for employers are only 2.25% of gross wages.
- Employees in the information and telecommunications technology sector are fully exempt from income tax if they meet certain requirements.
- Companies that set up business in Romanian industrial parks benefit from numerous tax breaks.

Step 4: Market entry strategy and development of business premises in Romania




	<p>Definition of your market entry strategy</p> <p>Network with local contacts and define your market entry strategy. Tip: The AHK Romania can offer you support when entering the market: https://www.ahkrumaenien.ro/</p>
	<p>Analysis of various location options</p> <p>Evaluate your need for a physical location in Romania. When looking for a location, make sure to consider the economic structure and infrastructure that best suits your industry. The two economic centres of the country, where almost all industries are represented, are the cities of Cluj and Bucharest. However, the wage level in the cities is relatively high. The south of the country is notable for its numerous Danube ports. The north-east of the country is also becoming increasingly interesting for new business settlements. The AHK Romania can also help with advice on the best location for your business: https://www.ahkrumaenien.ro/</p>
	<p>Analysis of safeguarding mechanisms and confidence-building measures</p> <p>Are you planning to export products directly to Romania or source them from local suppliers? With our guarantees and letters of credit, you can build trust in a new business relationship. This allows you to secure a substantial portion of the claim against your customer.</p> <p>As a newcomer to Romania, many local companies will most likely not know you, which makes establishing business relationships somewhat more difficult. With our guarantees for your payments to your supplier, trusting business relationships can be established right from the start.</p> <p>Contact us to schedule an appointment at Romania_Desk@procredit-group.com.</p>

Quick facts:

- Although Romania has one of the lowest e-commerce shares in the EU, the number of users almost tripled between 2016 and 2021.
- Over 9,500 German companies already have a location in Romania (AHK Romania).
- The expansion and modernisation of the infrastructure is one of the Romanian government's most important projects.
- Romania and Moldova have close ties, which is why many German companies use Romania as a starting point for entering the Moldovan market.

Step 5: Formation of a subsidiary








	<p>Legal form</p> <p>Determine the appropriate legal form for your subsidiary. The IHK Pfalz has prepared an overview of the various legal forms. The most popular legal form is the Societate cu raspundere limitata (S.R.L.), which is roughly equivalent to the German GmbH.</p>
	<p>Purpose of the company</p> <p>Register your subsidiary in the Romanian Commercial Register (ONRC). To register, the share capital must be paid into the company account.</p>
	<p>Opening a bank account</p> <p>A local bank account is essential for the efficient management of your business. If you would like to open an account in Romania, we will support you both in Germany and locally. Contact our dedicated colleagues at Romania_Desk@procredit-group.com.</p>

Quick facts:

- At RON 100, the minimum share capital of an S.R.L. is set very low.
- The establishment of a supervisory board is mandatory for an S.R.L. with 15 or more shareholders.
- Dividends are taxed at 5%.
- The preparation of a Romanian version of the articles of association is mandatory upon incorporation.



Step 6: Establish the value chain and launch investments

	<p>Building a supply chain</p> <p>A solid supply chain is the backbone of your business in Romania. Establish trustworthy relationships with suppliers and distributors to ensure the smooth procurement and distribution of your products or services. An important resource for finding business partners is the Marketplace Romania portal of the AHK Romania.</p>
	<p>Trade guidelines</p> <p>As an EU member, Romania is part of the European single market. Uniform trading guidelines therefore apply. Since April, Romania has also been a member of the Schengen area for shipping and air traffic, with the hope that this will soon be extended to land traffic. This is expected to lead to a further reduction in bureaucracy.</p>
	<p>Financing with ProCredit Bank</p> <p>Start up your investments hand in hand with ProCredit Bank. For all questions relating to investments, guarantees and other financial services, our team at the Romania Desk of ProCredit Bank Germany together with our colleagues at ProCredit Bank Romania are at your disposal.</p>
	<p>Investments in renewable energies with ProCredit</p> <p>The Romanian market for renewable energies is currently booming. Looking to launch a project? Please contact our Renewable Energy Center. Together with our local banks, we support your project in the region. Find out more at Renewable Energies or contact us at Romania_Desk@procredit-group.com.</p>
	<p>Online presence</p> <p>Despite the low digitisation rate in comparison to the rest of the EU, an online presence for your company is a fundamental requirement for building trust and business activities locally.</p>

Quick facts:

- Romania is an important supplier for mechanical engineering companies.
- The country is a popular nearshoring option for the IT sector.
- Thanks to intensive solar radiation and strong winds, Romania is developing into the most important location for renewable energies in Eastern Europe.
- A fully developed gas network offers the possibility of later conversion for and the export of green hydrogen.