



AmCham Romania Business Barometer: How AmCham Romania Members view Romania as an investment location in 2021

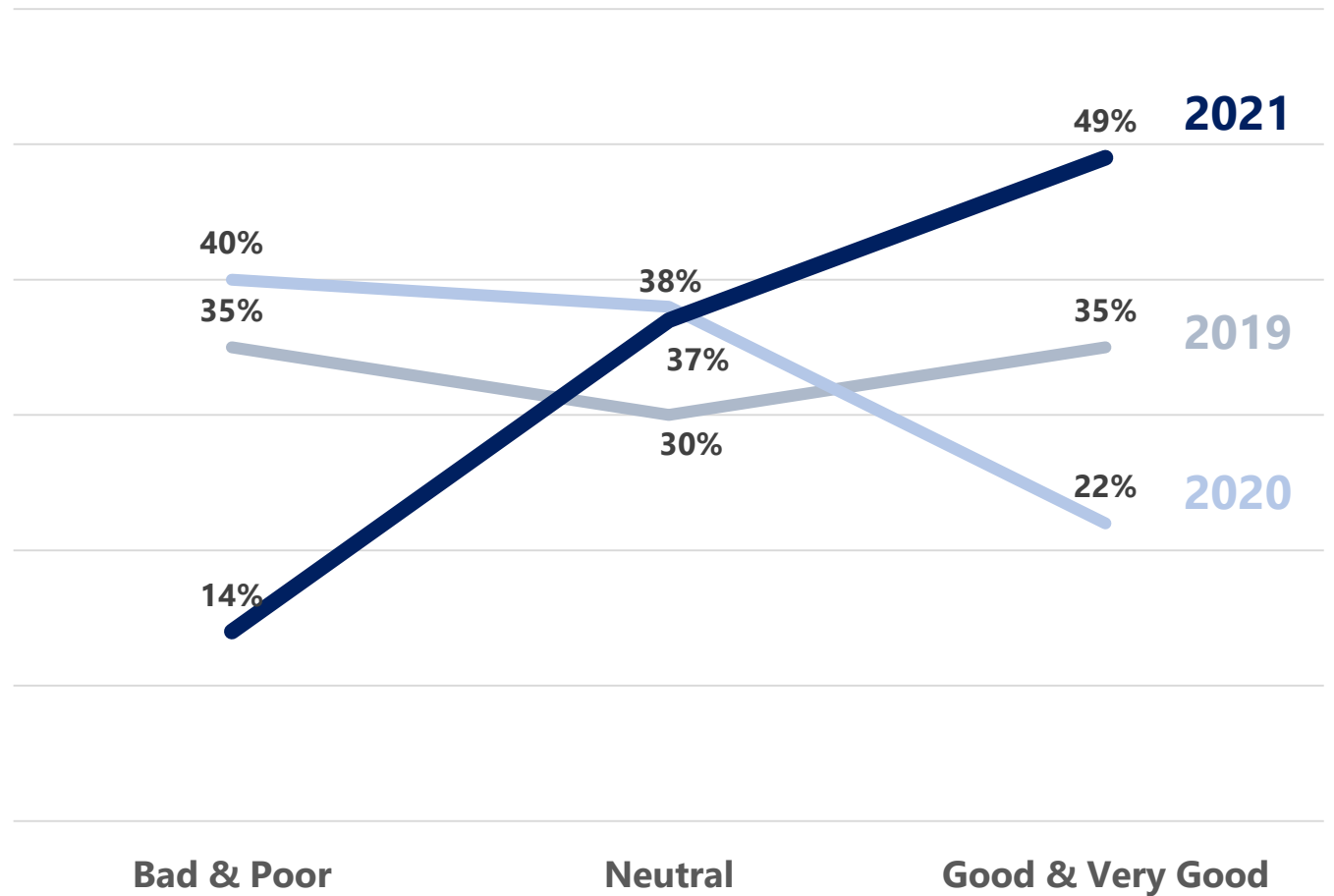
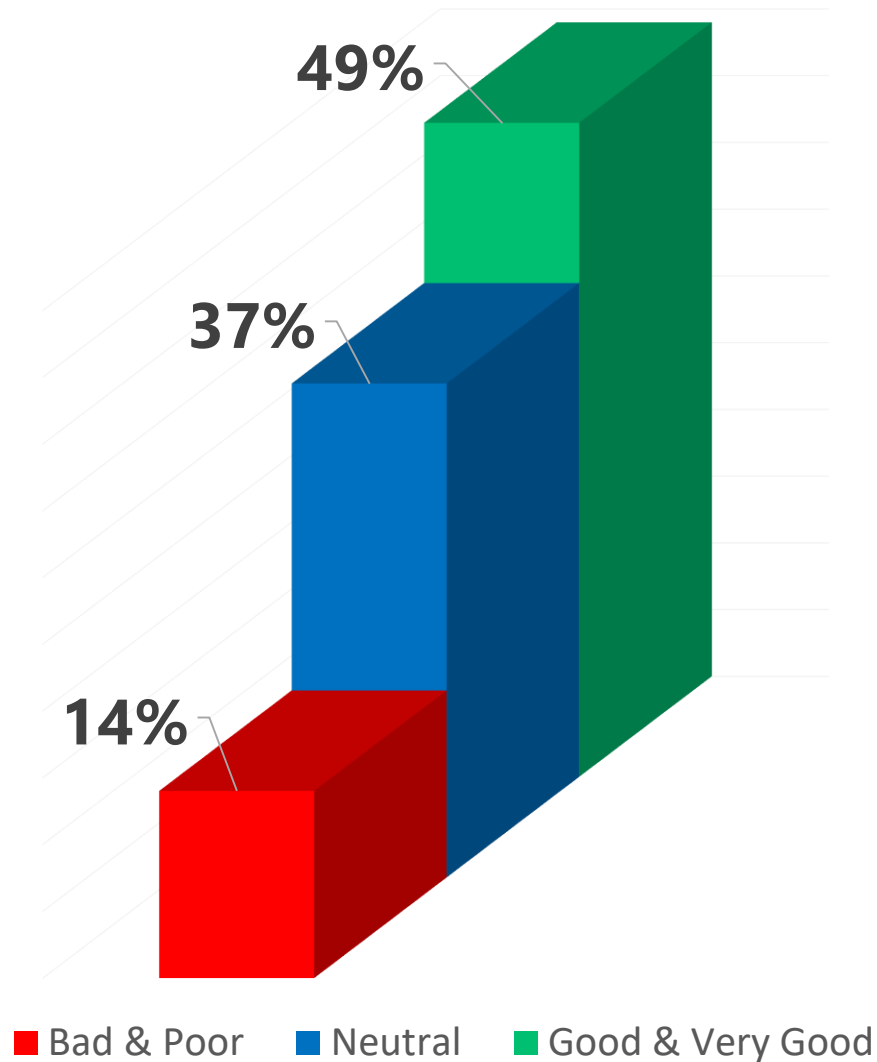
July 7, 2021

About the survey

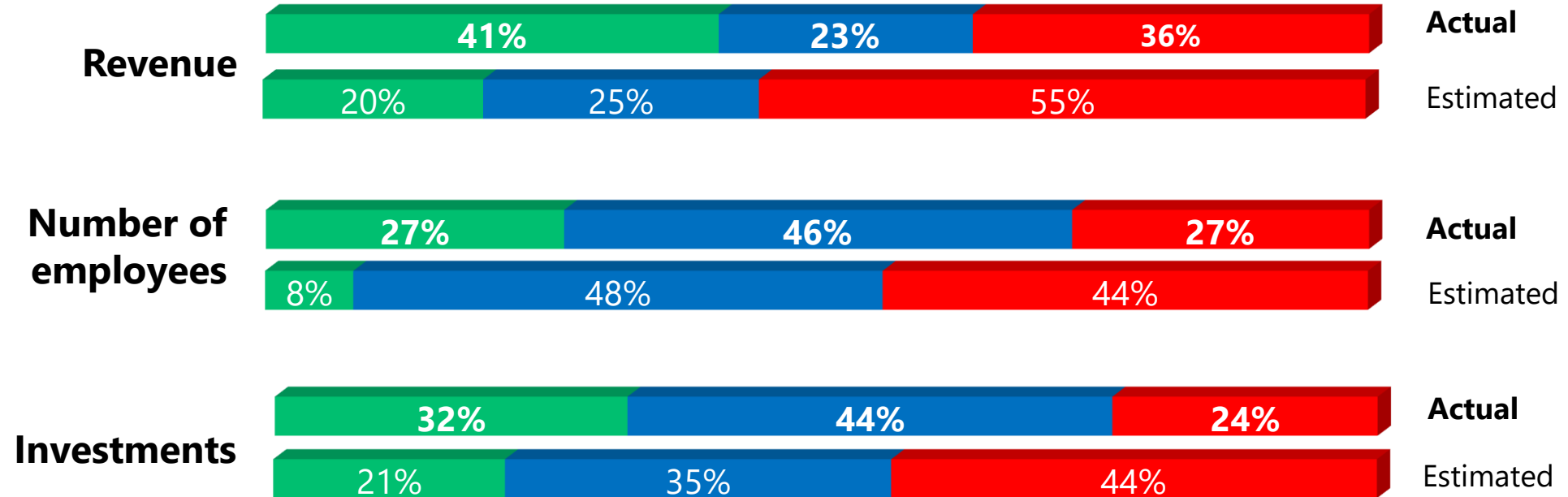
Surveyed companies:

- **180** (40%) of the total AmCham Romania member companies, CEO & CFO level.
- Of which, according to the ANAF Classification
 - **38%** - *large companies*
 - **36%** - *medium companies*
 - **26%** - *small companies*
- The survey was run between: May 25 – June 18 2021

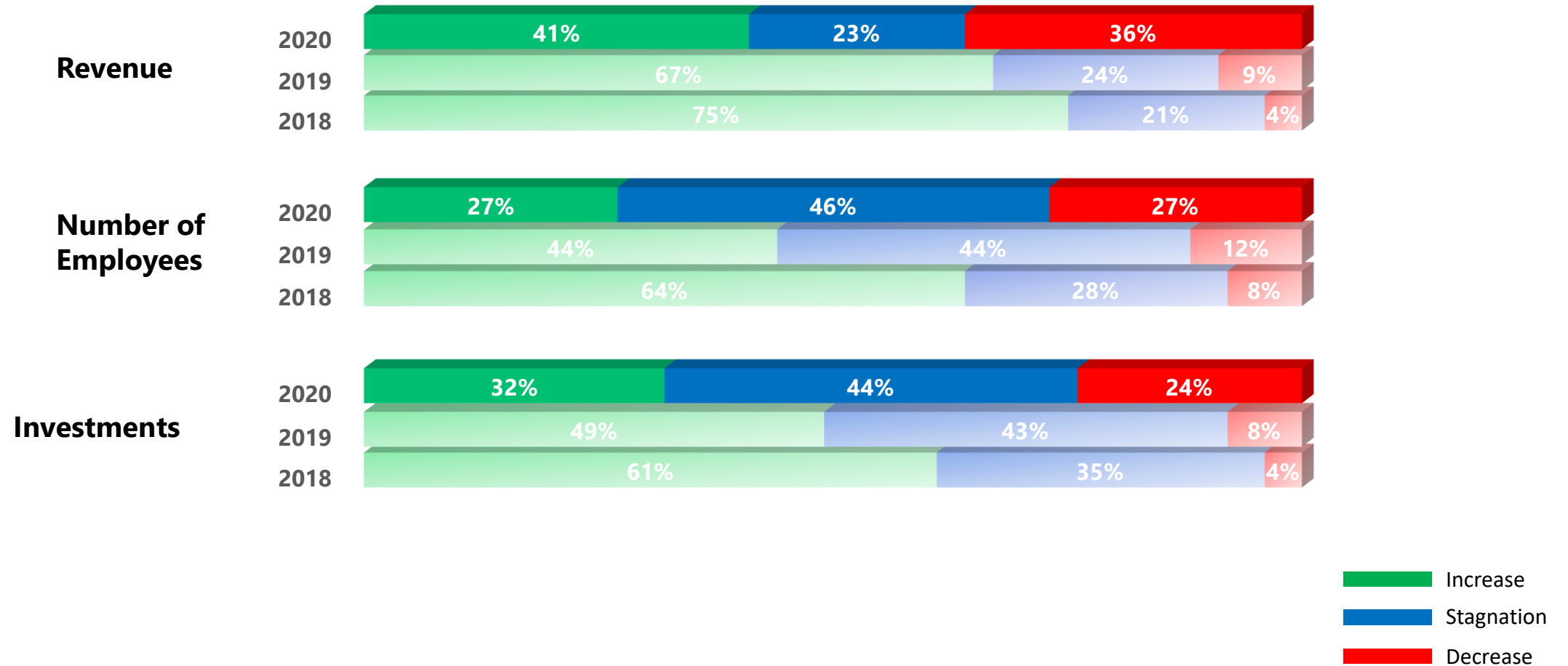
1. How do you rate the current investment & doing business climate in Romania?



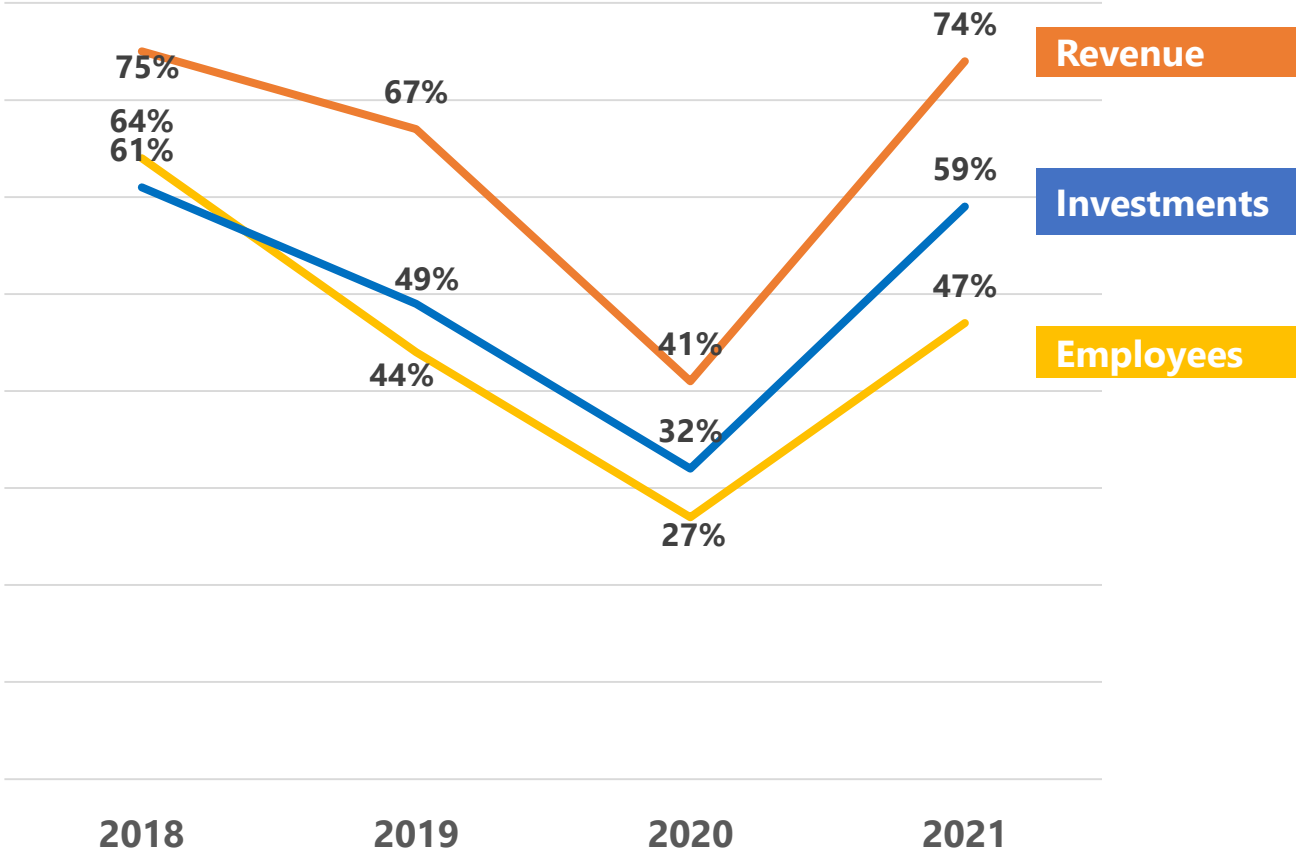
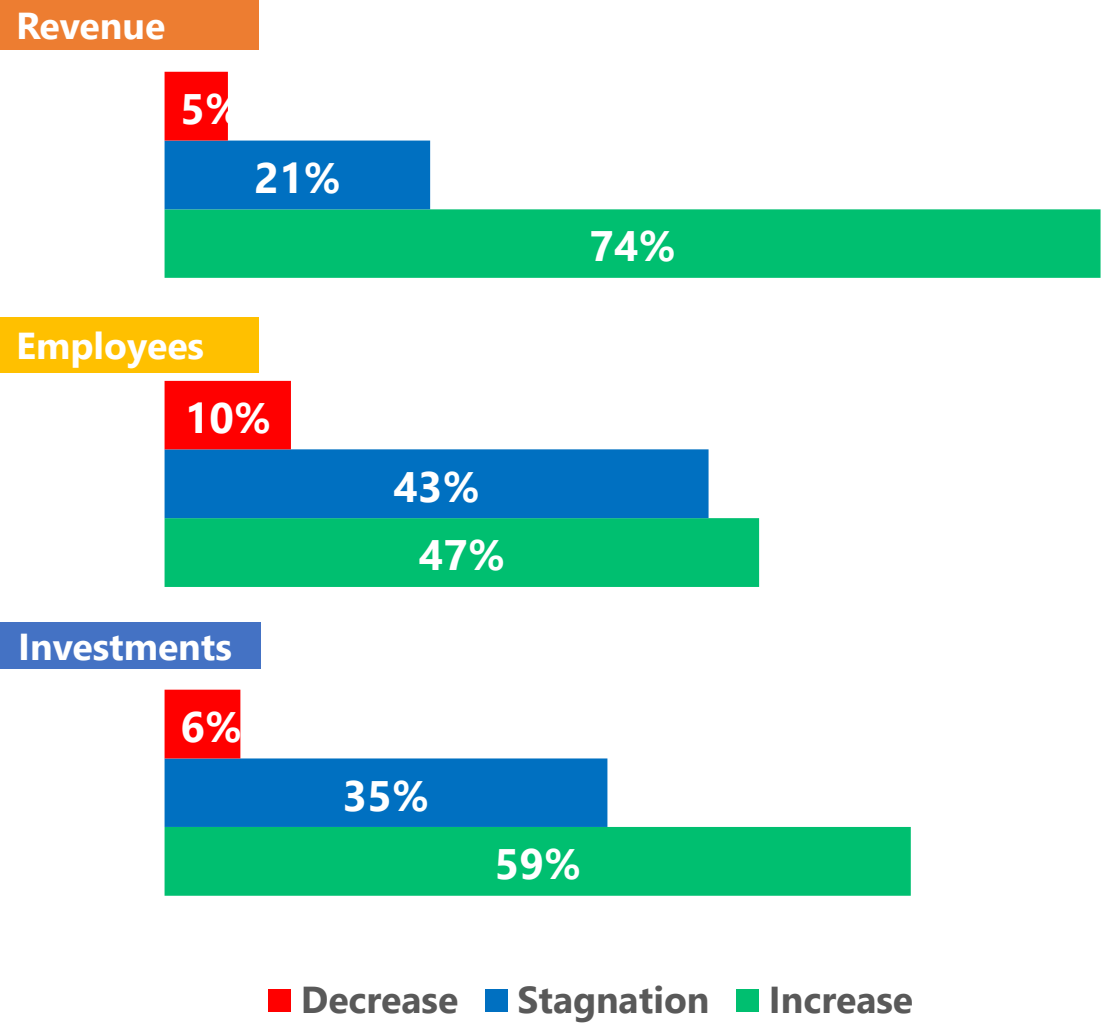
2. 2020 Business Results: estimated vs. actual



3. Evolution of business results: 2018 - 2020

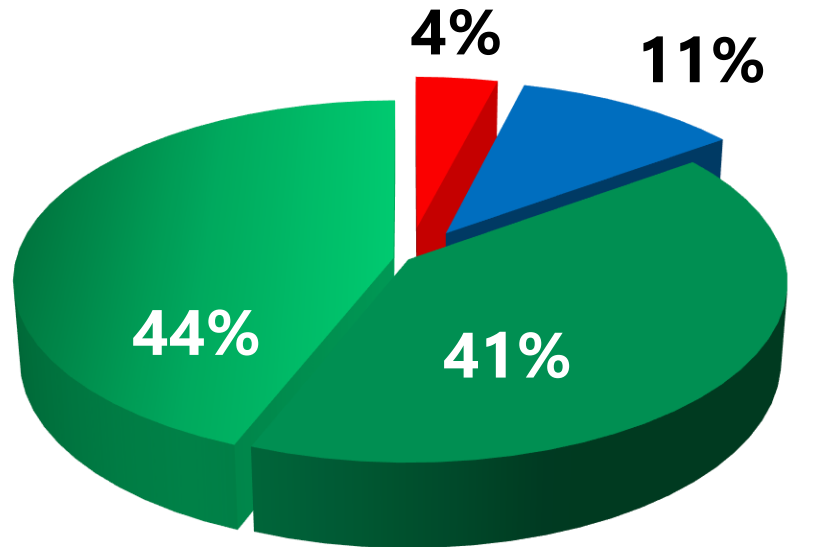


4. How will your company's revenue, number of employees and investments develop in 2021?



5. What is the business scenario in which you operate for FY21 compared to FY20 in terms of estimated turnover?

2021



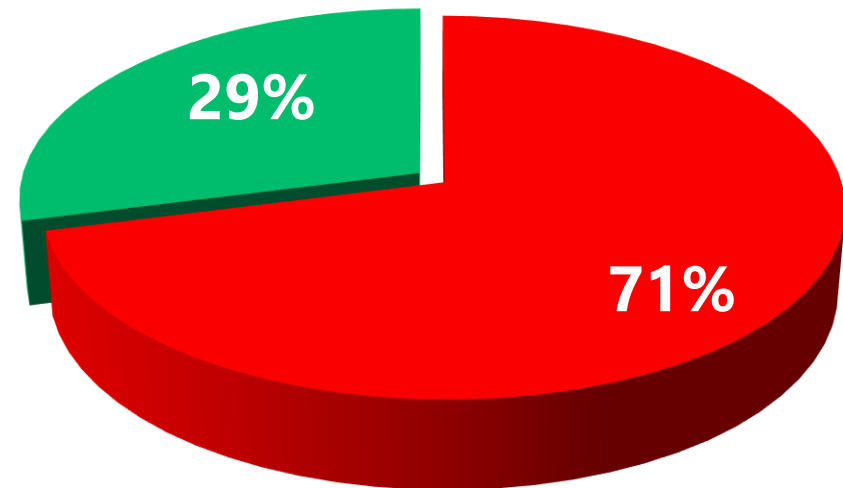
■ Decrease

■ Stagnation

■ Increase up to 10%

■ Increase above 10%

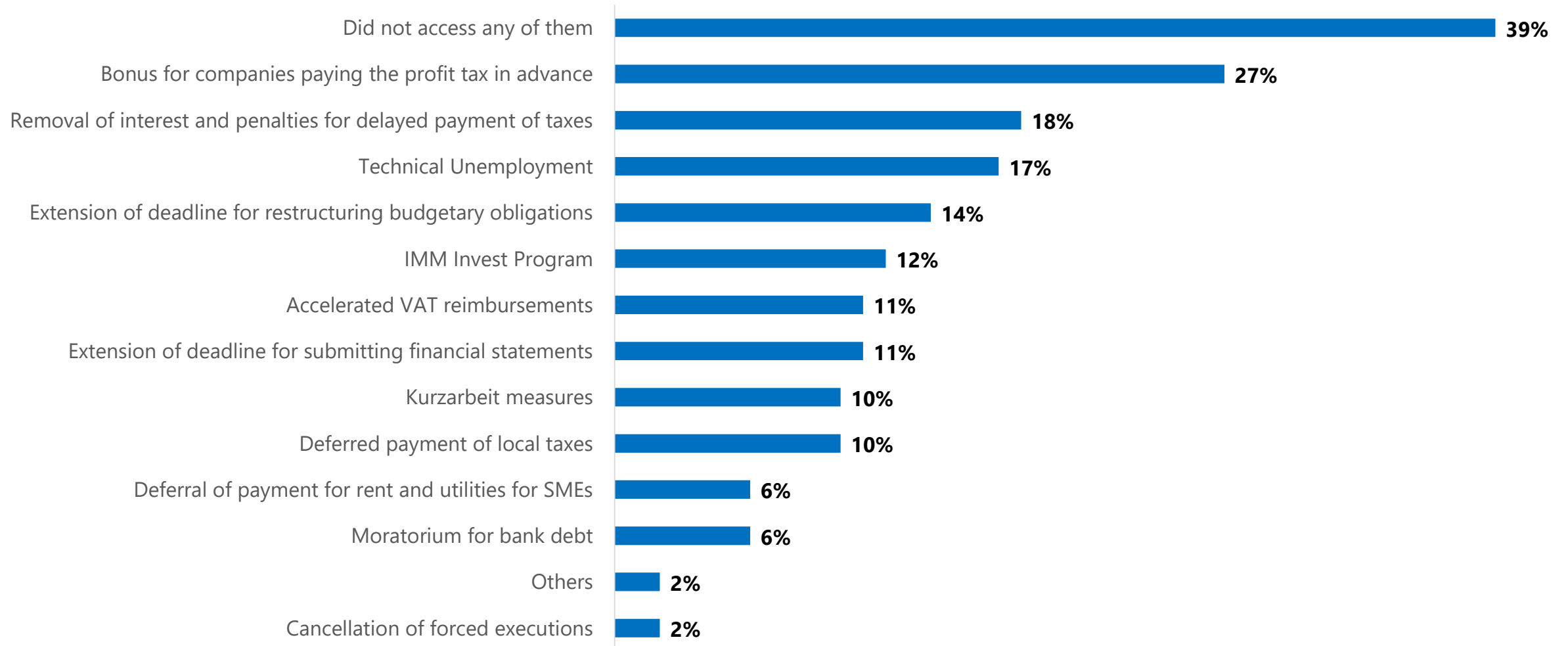
2020



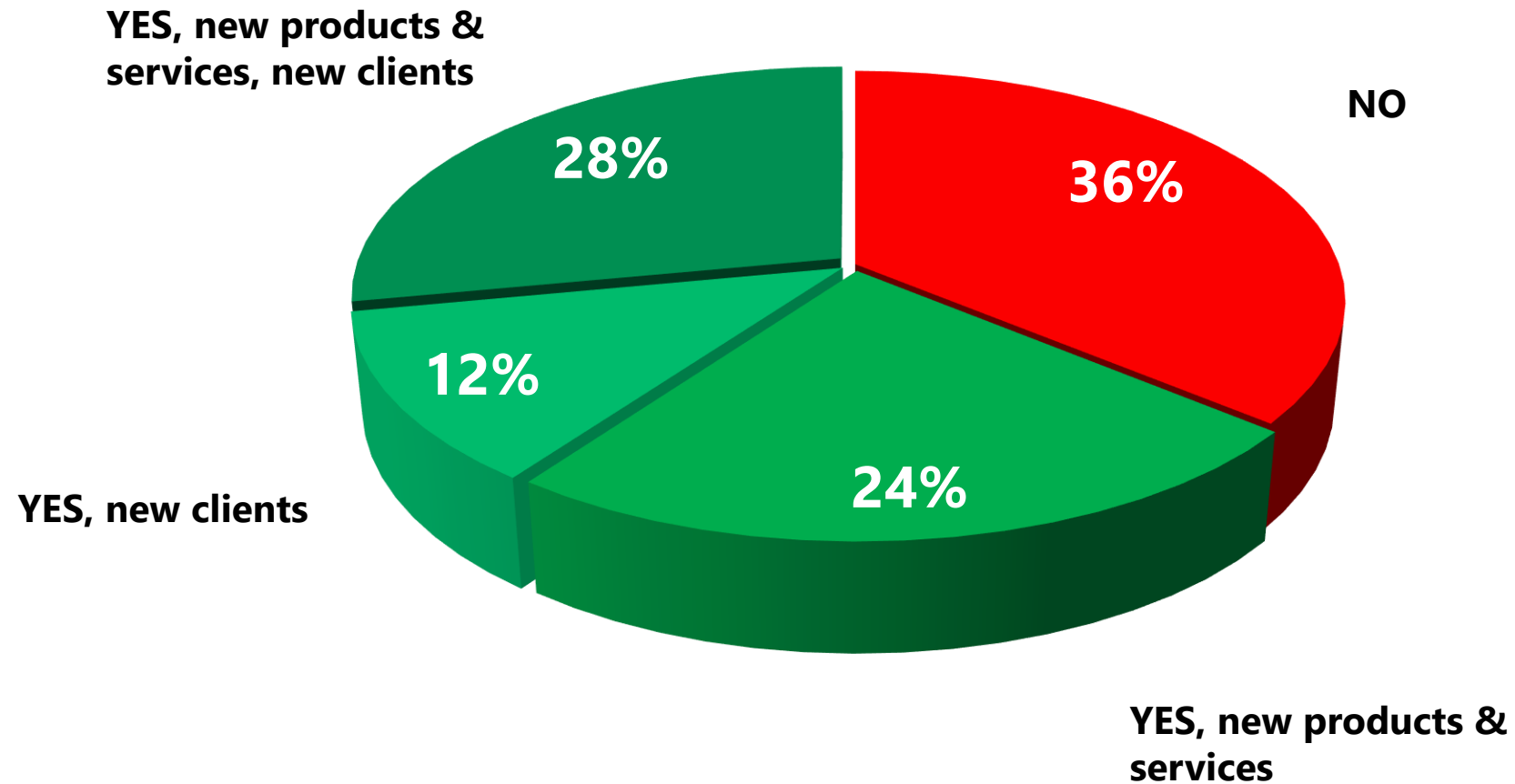
■ Decrease

■ Stagnation or increase

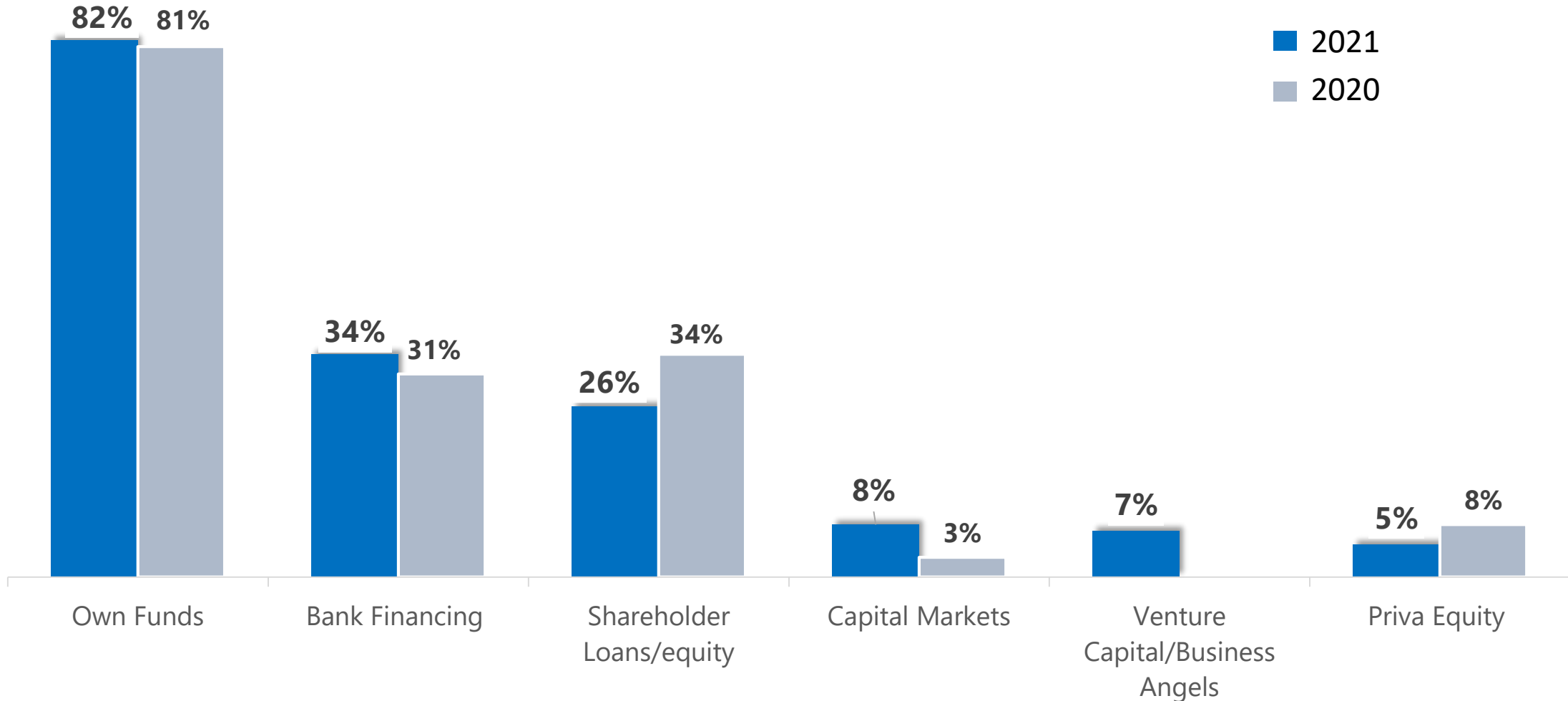
6. What were the main economic measures taken so far (top 3) that helped your business most during COVID?



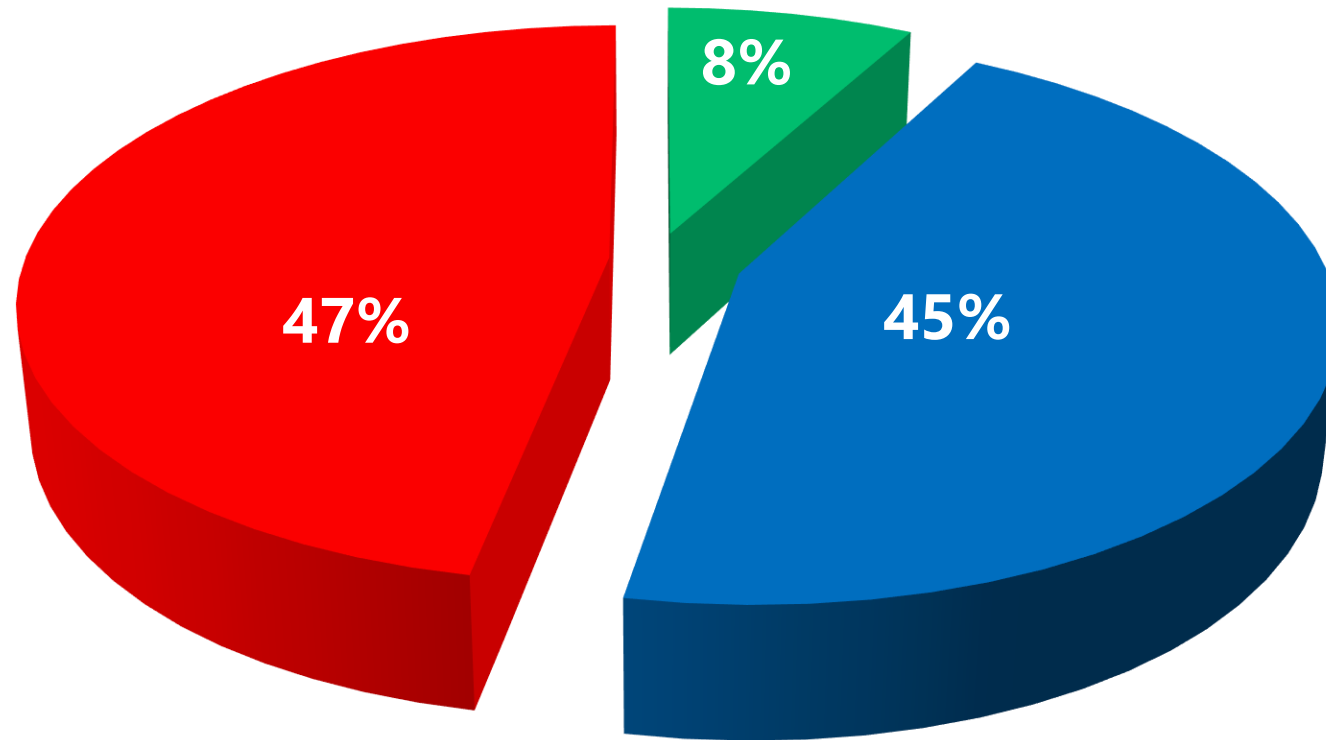
7. Did the pandemic bring new business opportunities for your company (new services or products, new clients)?



8. What financing sources are you considering for FY21 and going further?



9. Do you anticipate an increase, stagnation or decrease in the financing costs?

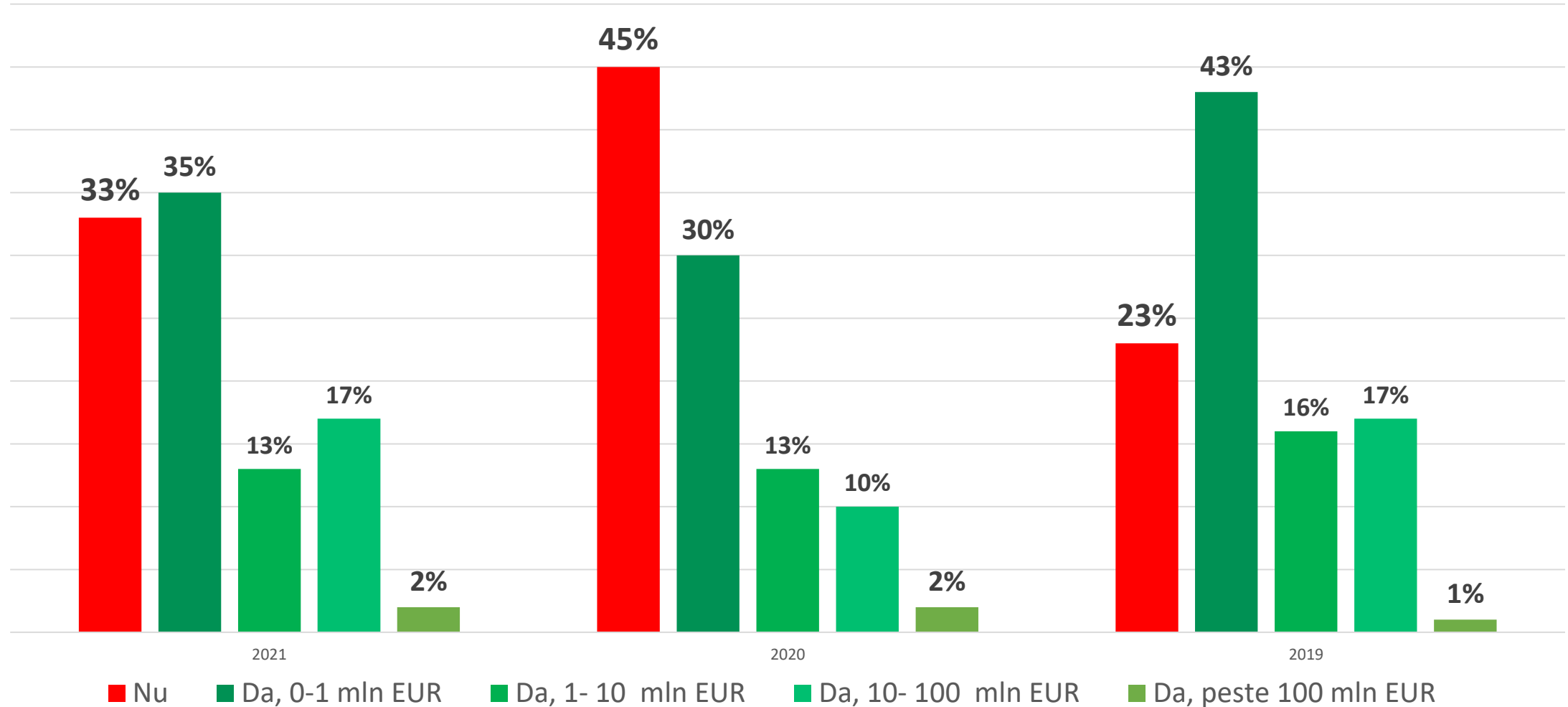


■ Decrease

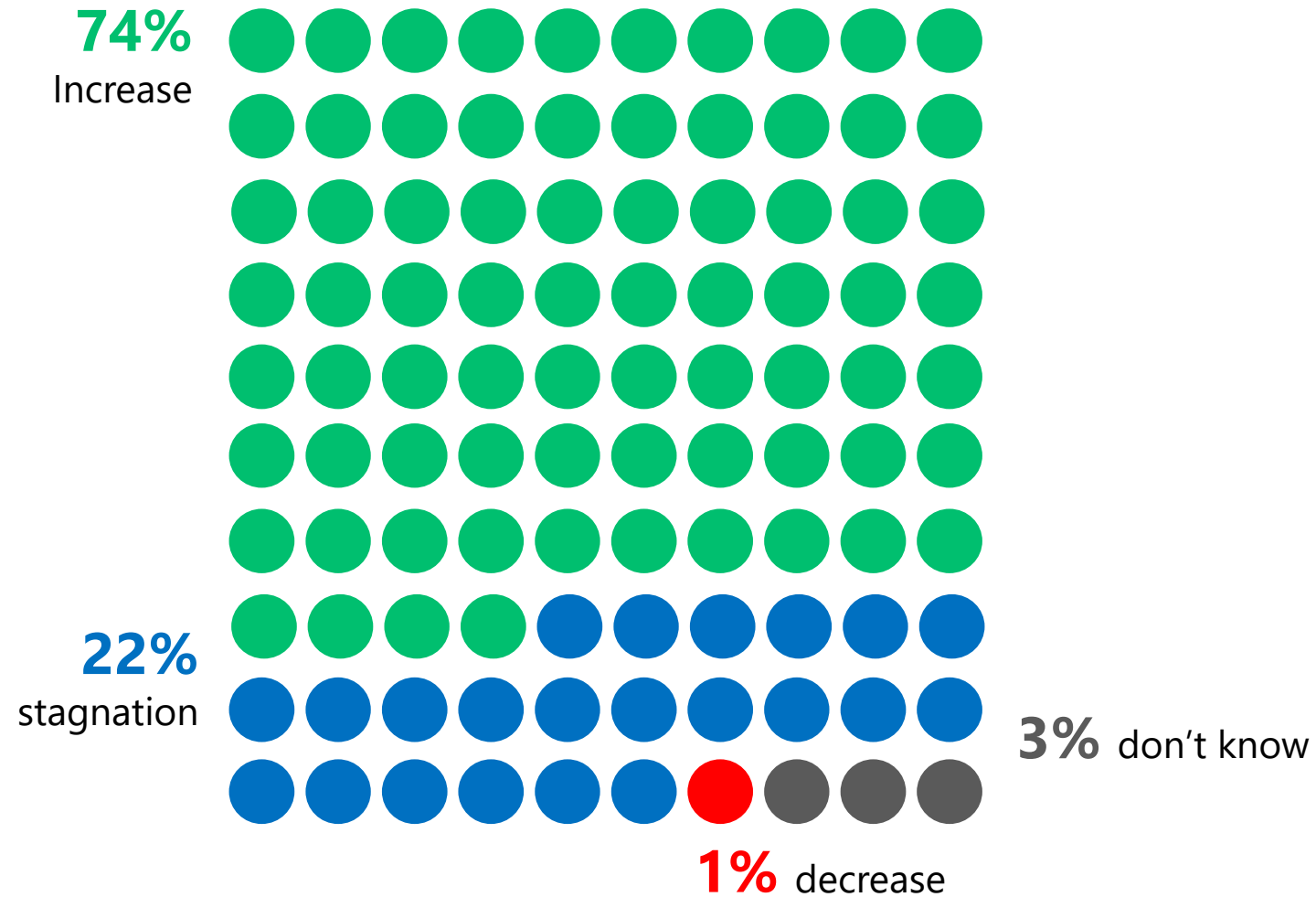
■ Stagnation

■ Creștere

10. Does your company plan new investments in Romania in the coming year?

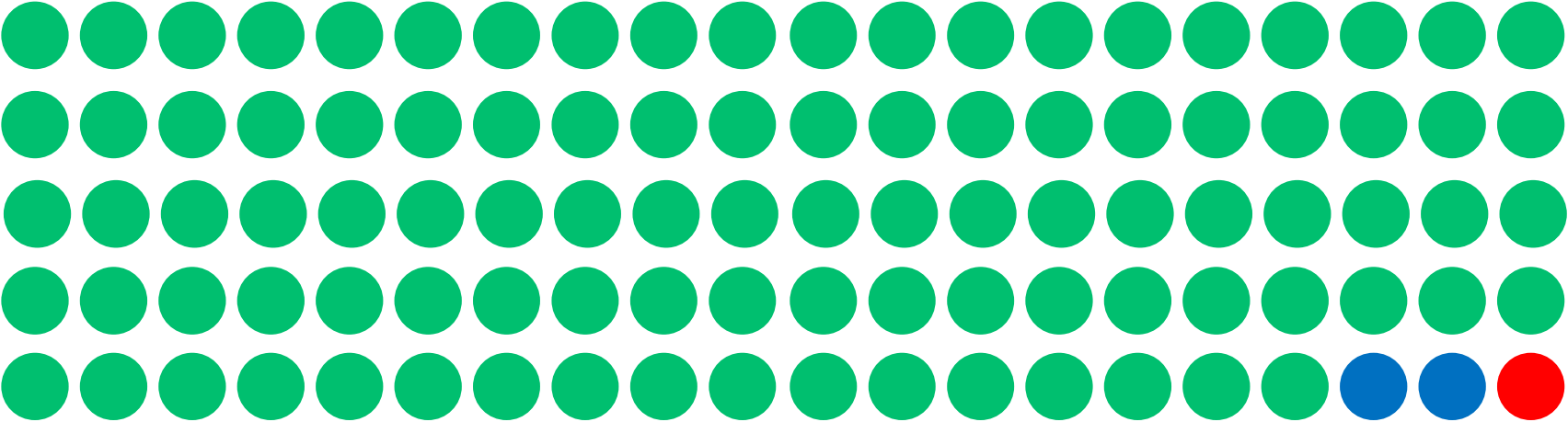


11. Will you expand, maintain or reduce your activities in Romania in the next 3 years? ?



12. For business decisions, the stability and predictability of the political and regulatory framework are:

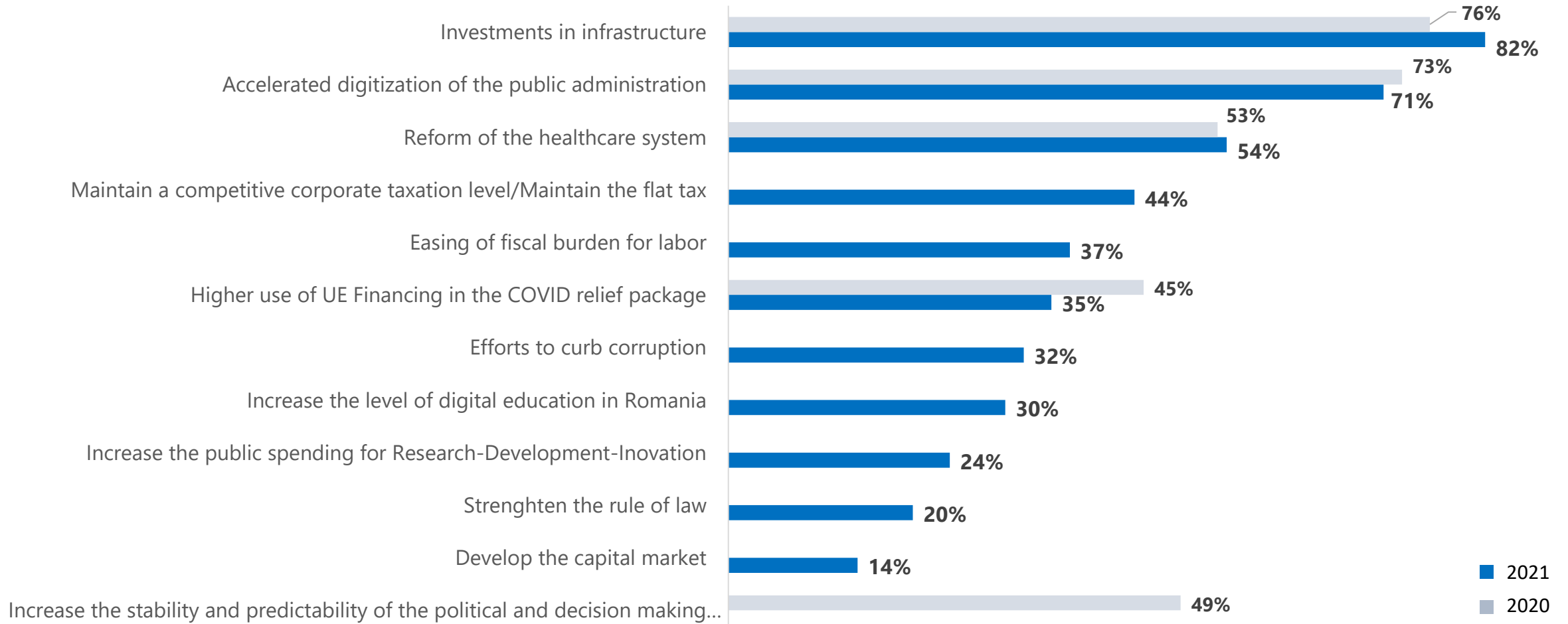
97% important & very important



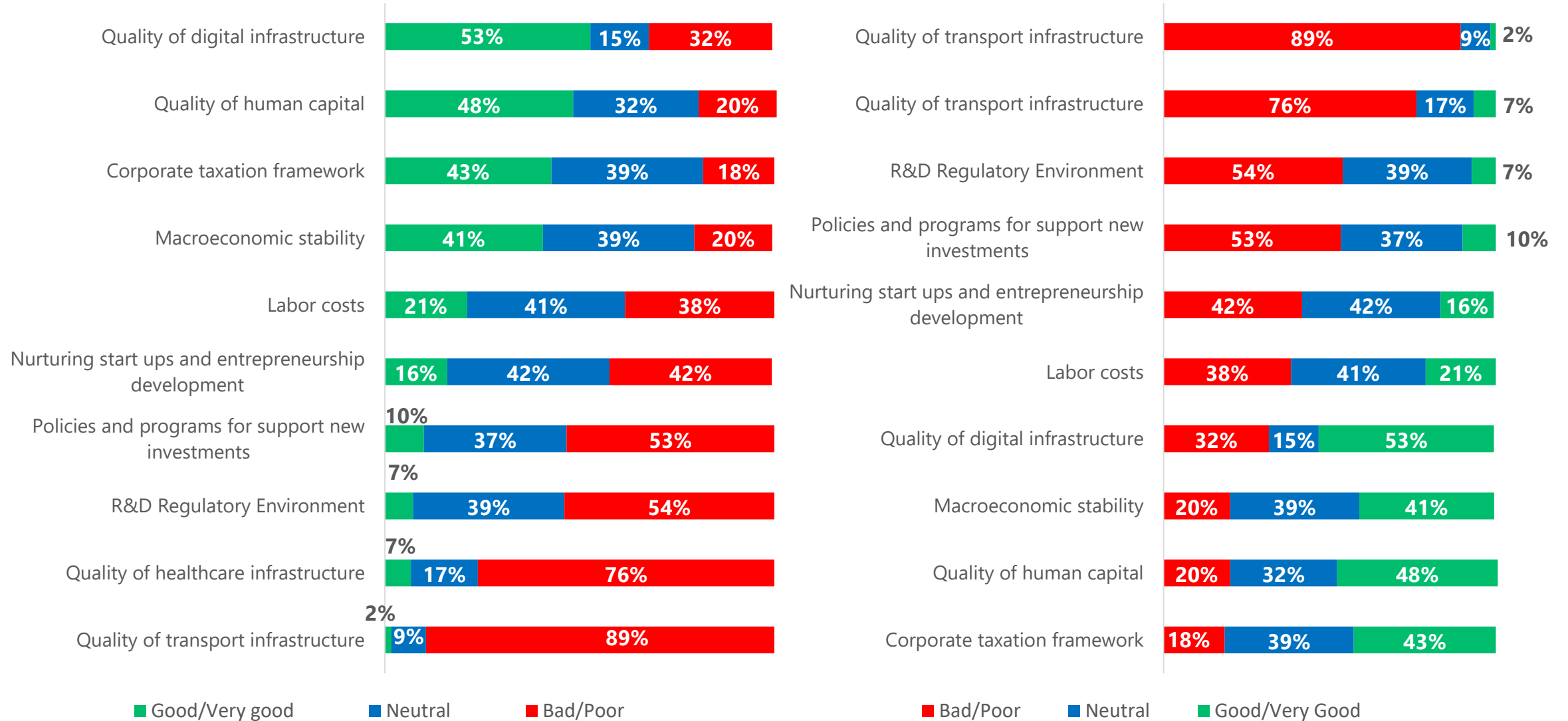
1% not important

2% neutral

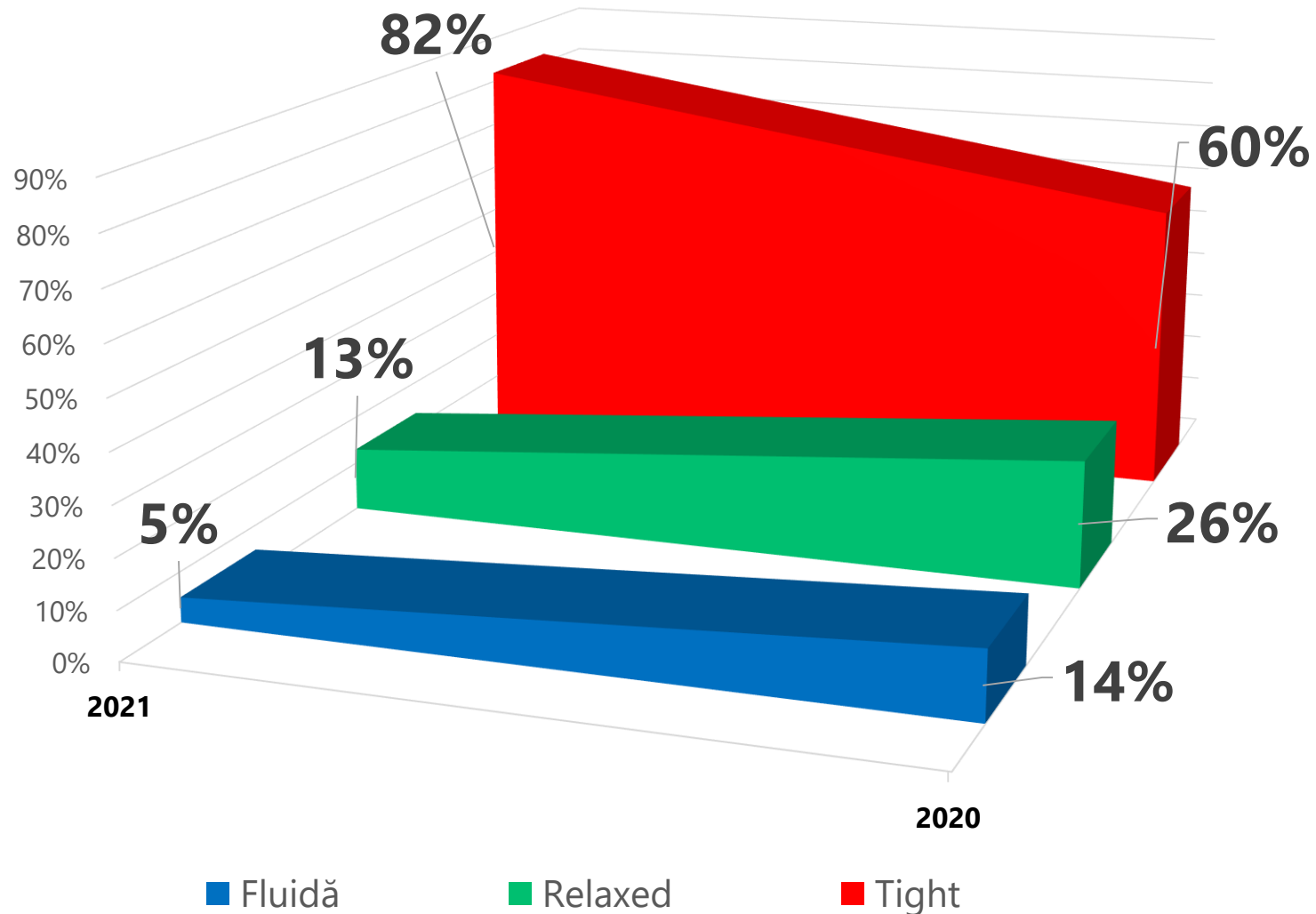
13. Select the top 5 measures/policies that should be adopted in FY 2021 as part of Romania's post pandemic economic recovery. Please select up to 5 response options.



14. Cum apreciați următoarele condiții de piață din România?



15. How would you characterize the current situation of the labor market in your sector of activity?

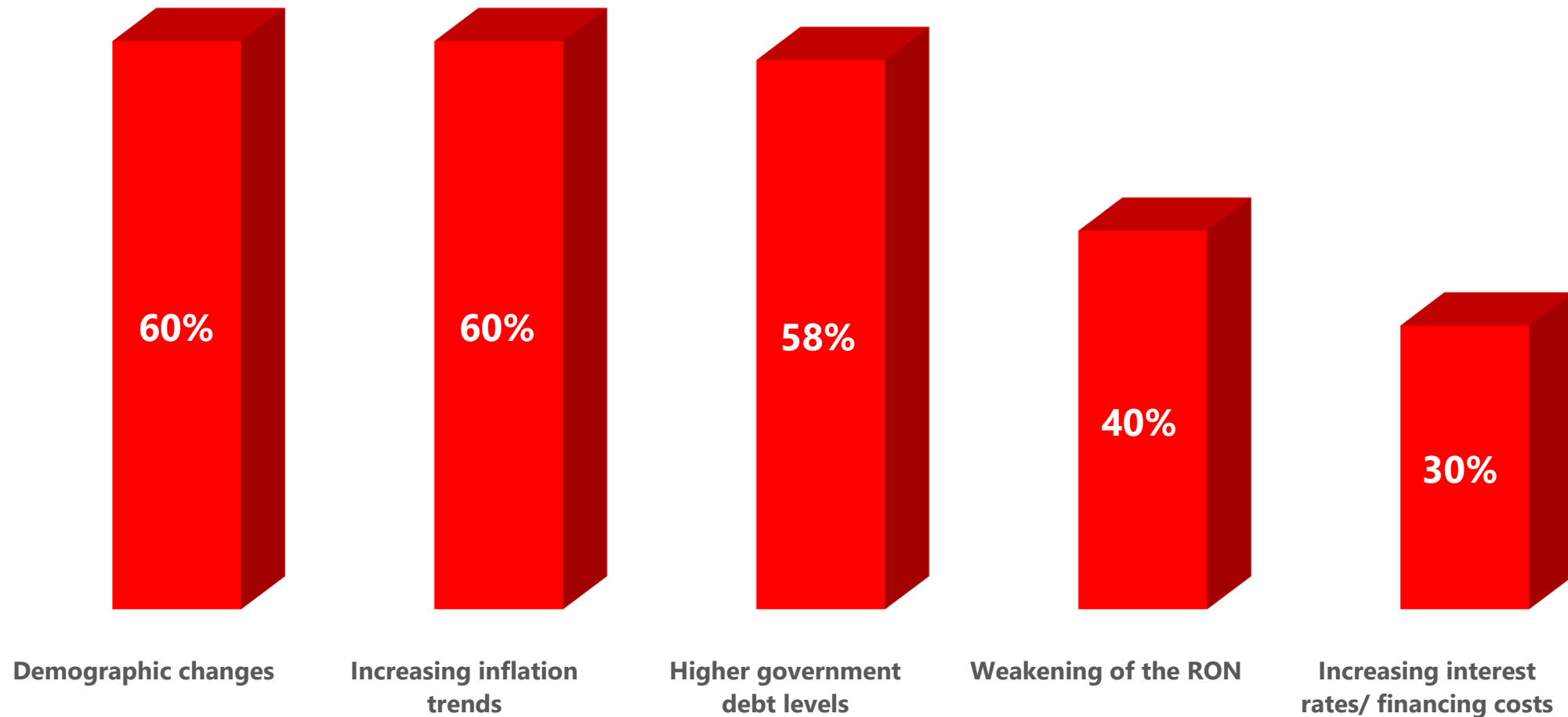


Slack – available workforce, yet significant skills mismatch

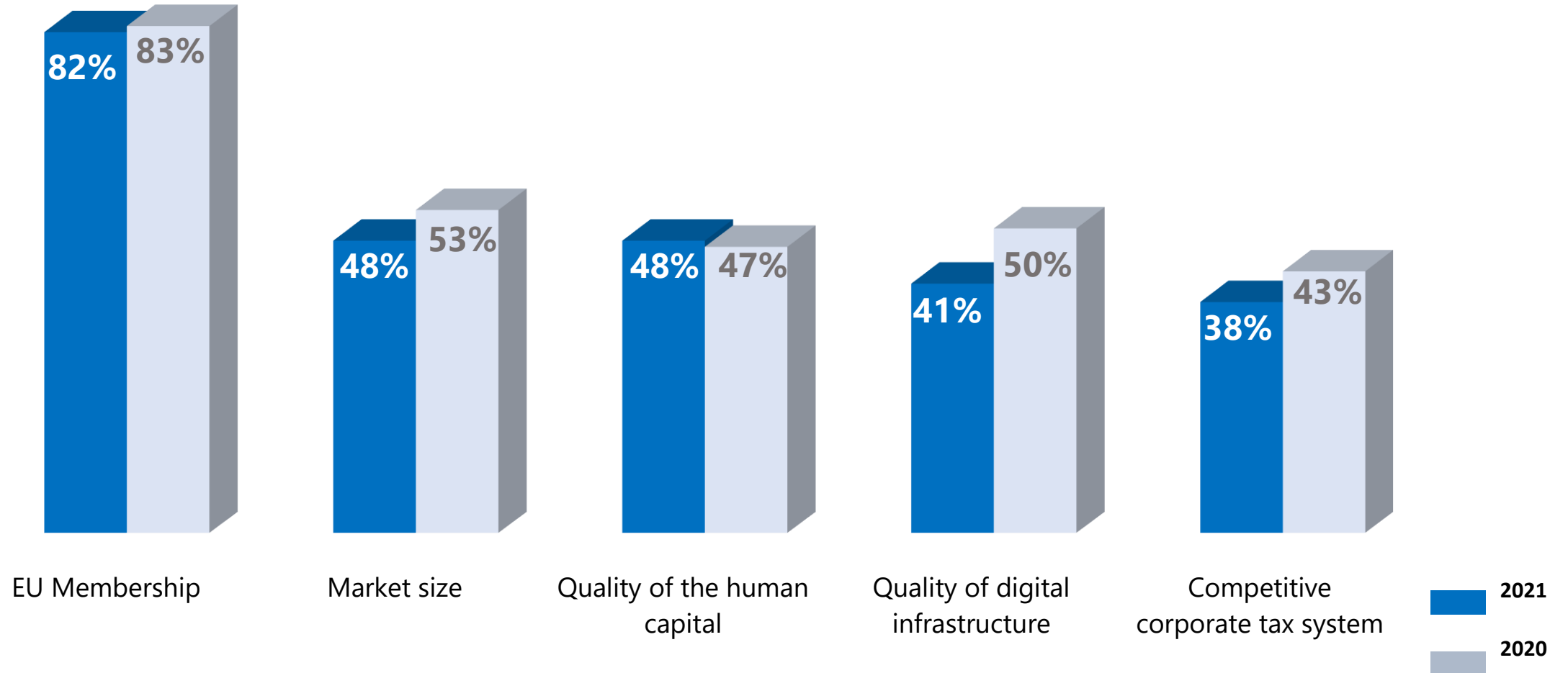
Relaxed – Available skilled workforce

Tight – Lack of skilled workforce

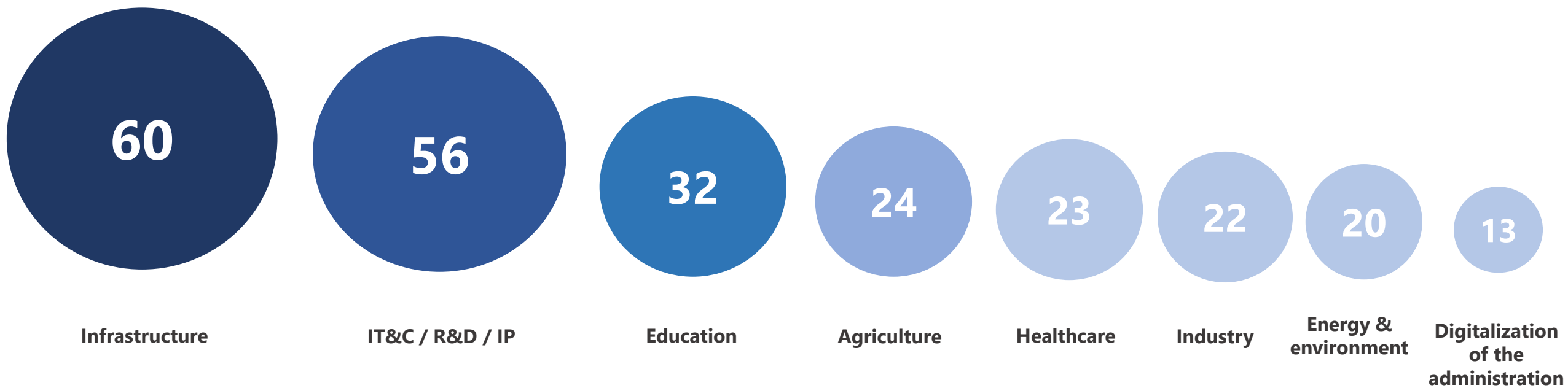
16. What are in your view the main macro-economic factors that may pose a risk for the Romanian economy?



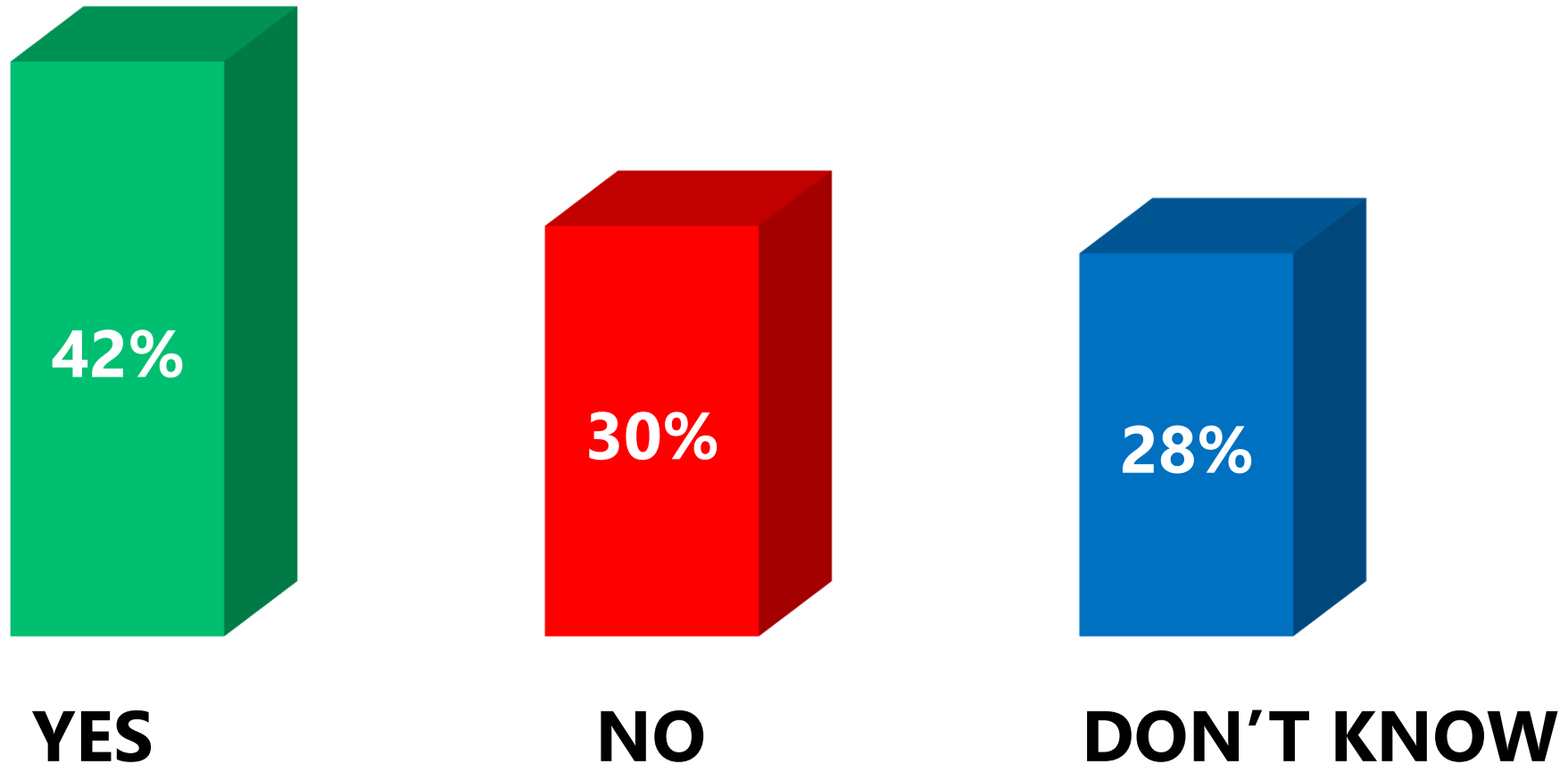
17. Which of Romania's top economic competitive advantages remain relevant in the post pandemic investment climate?



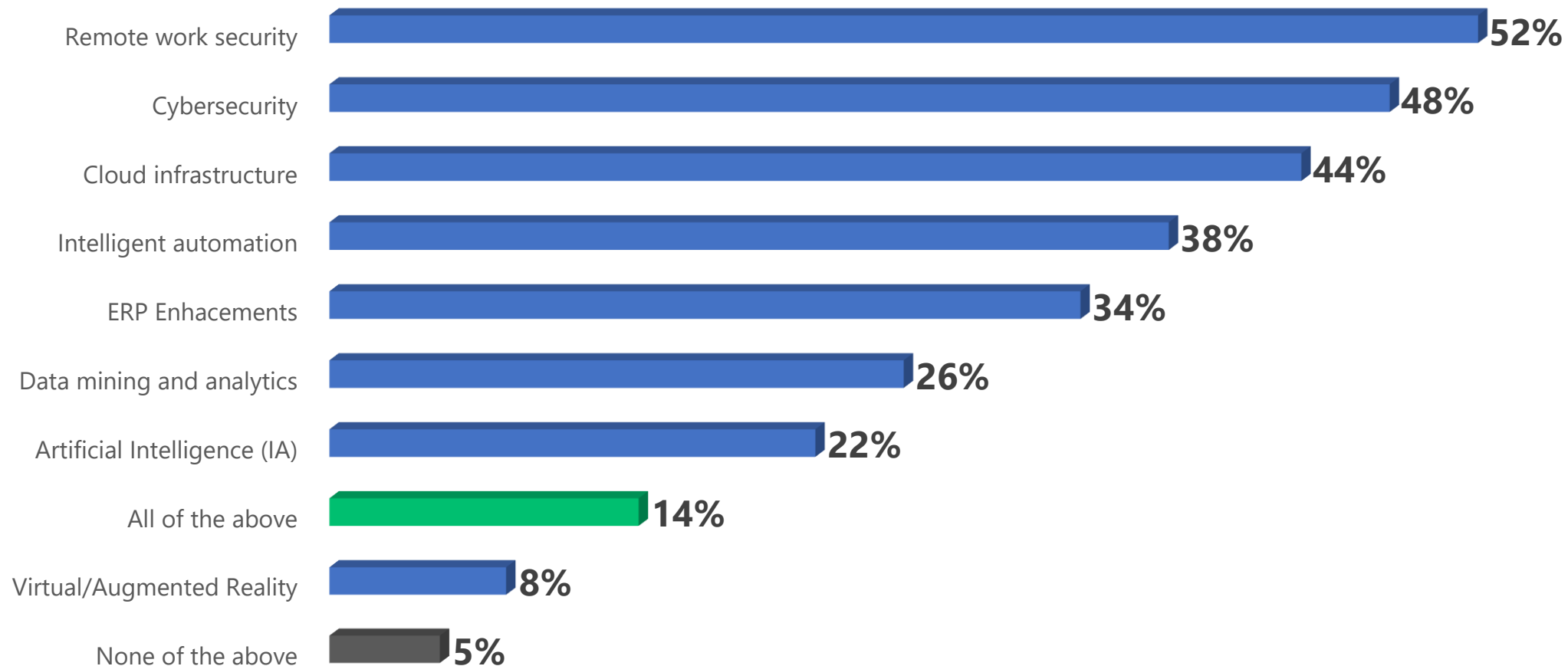
18. Romania's development vision for the next 3-7 years should have as the main pillar the following sector/industry:



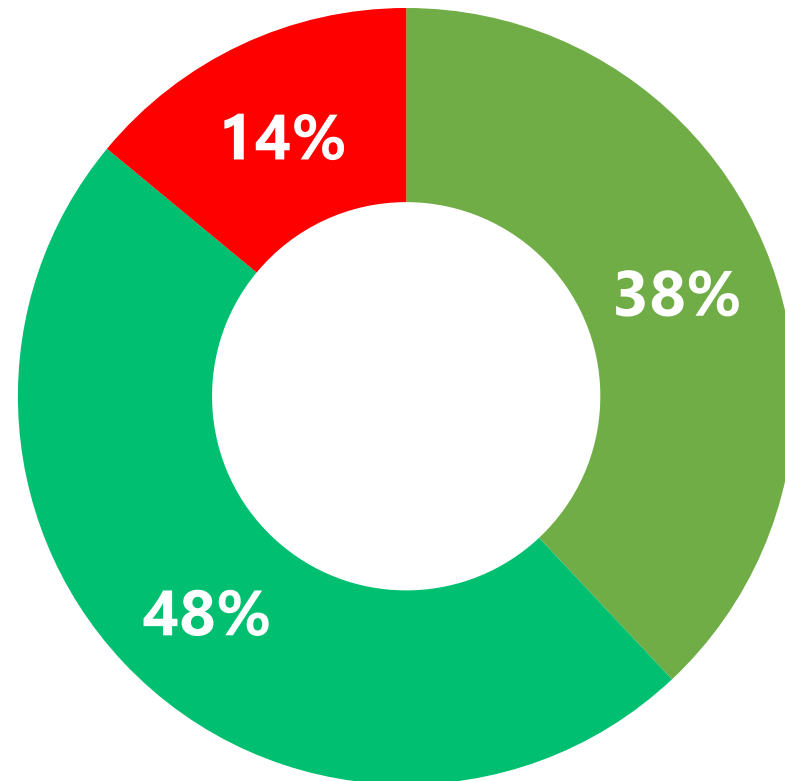
19. In your view, will the current economic policy accelerate the development of the critical infrastructure? (*highways, railways, energy, digital, health, education, research & development*)?



20. The COVID crisis accelerated the digitalization of companies. The focus areas for your company's digital transformation are (please select all relevant answers):



21. How has the pandemic influenced your company's focus on employees' health and well-being (including mental and emotional well-being)? Please select ONE response option only.

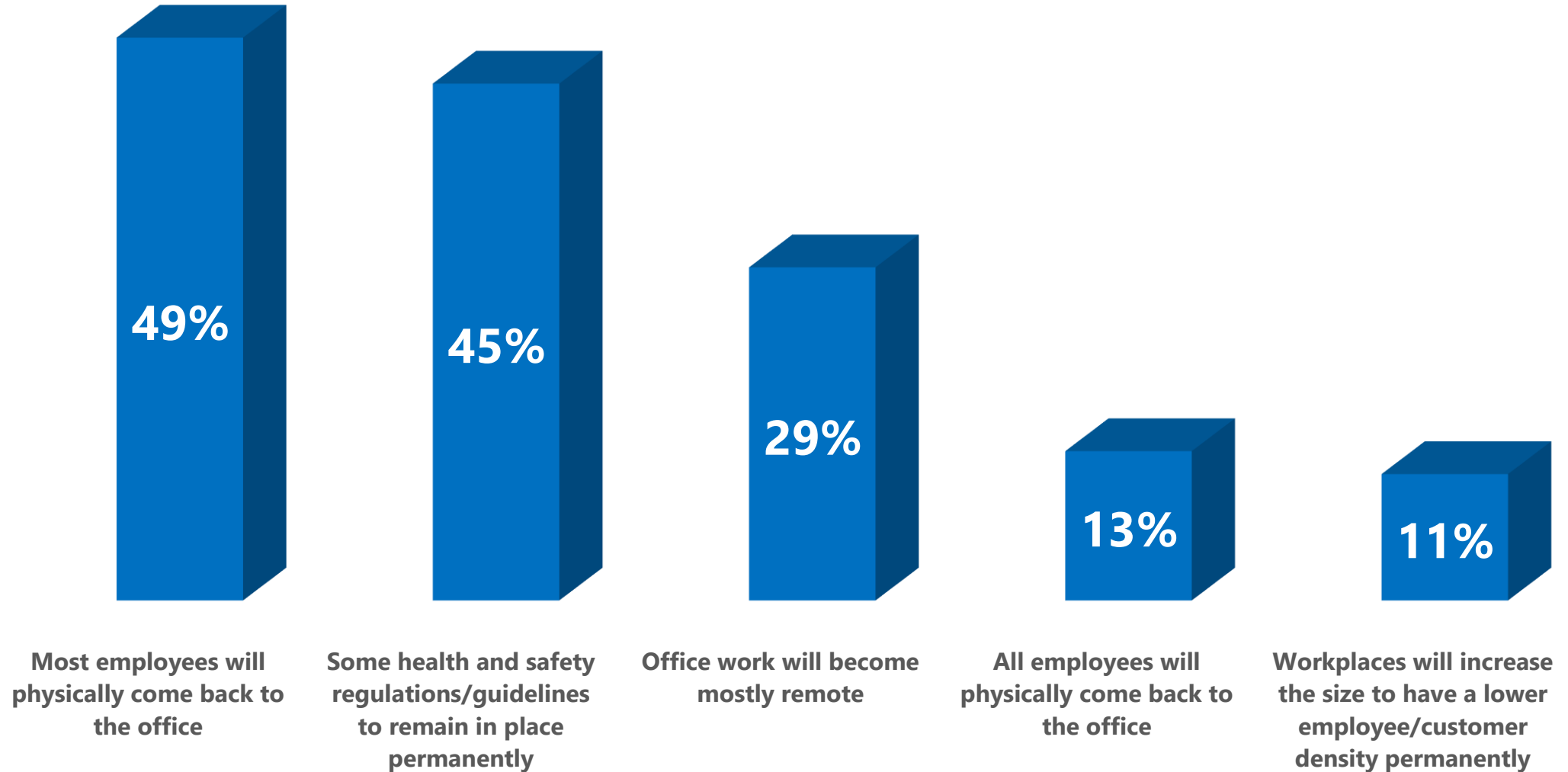


■ Become of the top priorities

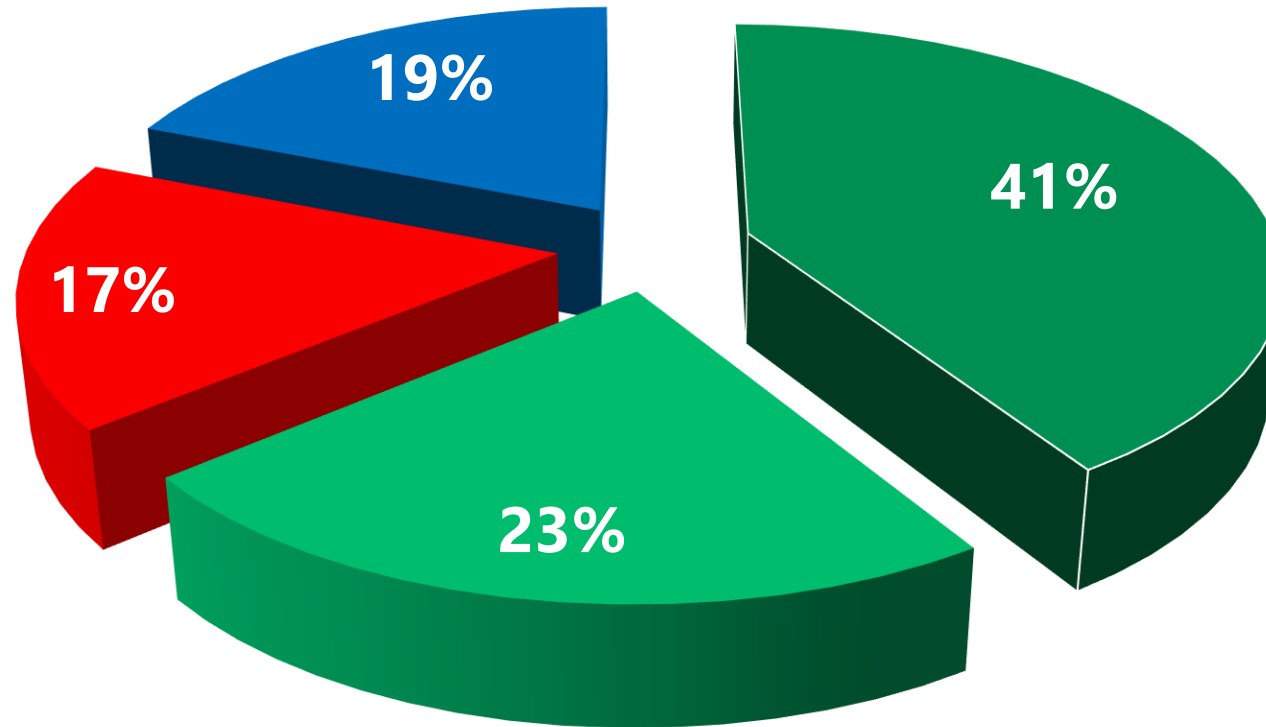
■ Increased the focus

■ No influence

22. Which best describes your company's policy for the post-pandemic work regime?

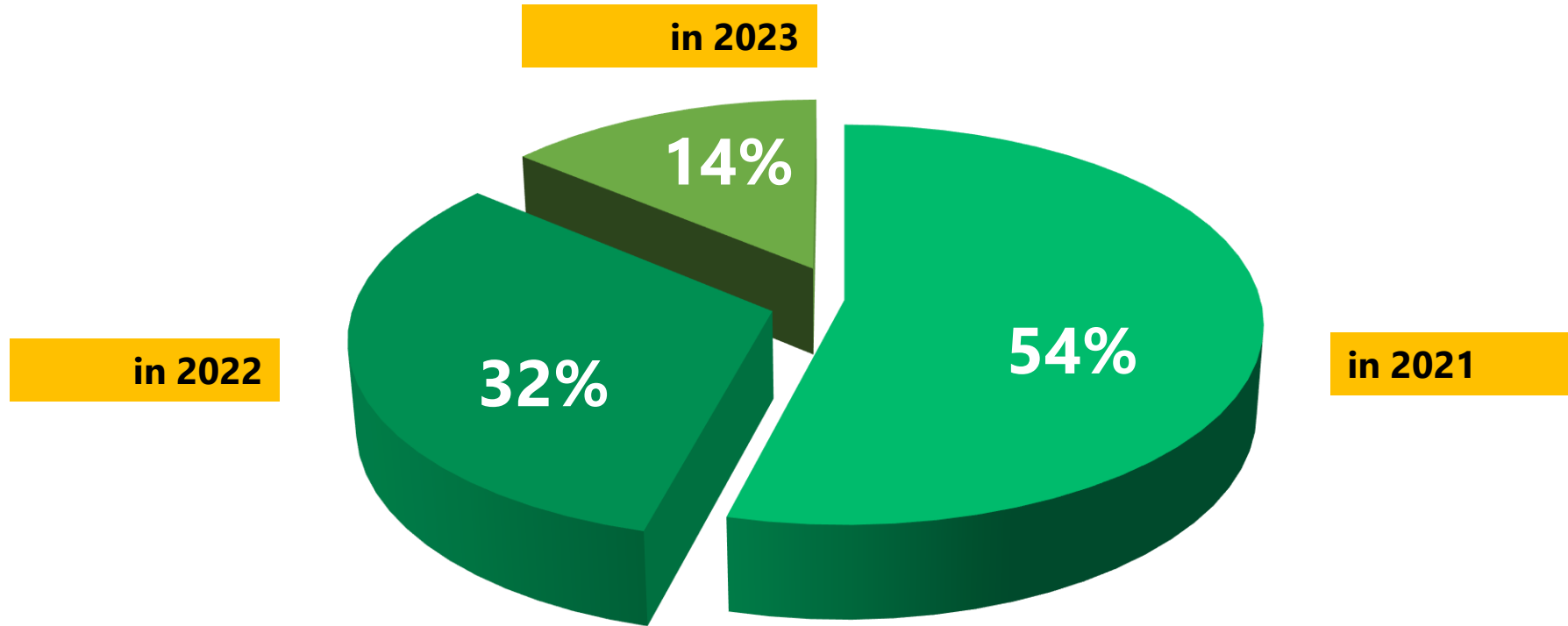


23. Did your company start implement the ESG standards (Environment, Social, Governance)?



- Yes, we are at the beginning
- Yes, we are in advanced stage
- No
- Don't know what that is

24. When should Romania start negotiations for OECD accession?



CONCLUSIONS:

The impact of the pandemic on companies and the short/mid term perspectives

The impact of the COVID pandemic is not long term.

2020 business results are higher compared to the estimates.

Very good perspectives for 2021

- **74%** estimate a revenue increase in **2021**.
- Only **4%** in 2021 vs. **71%** in 2020 anticipate a turnover decrease.

CONCLUSIONS:

The impact of the pandemic on companies and the short/mid term perspectives

64% of the companies have diversified their products, services and clients portfolio during the pandemic.

82% included own funds in the business financing mix .

40% have not access any COVID business support measures.

CONCLUSIONS:

Assessment of the Romanian business & investment climate

50% consider the investment climate good & very good!

EU membership, main competitive advantage.

The climate on the **labor market** is **very tensioned**:

87% face skilled workforce shortages.

Public administration **digitalization** is essential.

Physical **infrastructure** remains the **main challenge** for România.

CONCLUSIONS:

Assessment of the Romanian business & investment climate

Warning signals:

- Demographic changes
- Increasing inflation
- Public debt

67% companies plan **new investments** in the coming year.

96% companies will consolidate or expand their operations in the coming years.

Stability&predictability, essential for **97%** of the companies!

CONCLUSIONS:

Assessment of the Romanian business & investment climate

INFRASTRUCTURE

IT/R&D/IP

EDUCATION

AGRICULTURE

HEALTHCARE

INDUSTRY

PILLARS FOR ROMANIA'S ECONOMIC GROWTH

CONCLUSIONS: Companies' post-pandemic activity

Most companies started implementing **ESG**.

62% anticipate most employees will return to the office.

Companies increased their focus on employees.

74% anticipate growth during the next 3 years.

CONCLUSIONS:

Imperatives for economic recovery

- ✓ **Concrete measures to reduce the tension on the labor market!**
- ✓ **Transport infrastructure, now or never!**
- ✓ **Identify Romania's development pillars!**
- ✓ **Stability and predictability!**