



American Chamber of Commerce in Romania

Bucharest, 2013

AmCham Romania Impact Study



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A wide-angle photograph of a modern cable-stayed bridge spanning a body of water. The bridge features two tall, dark concrete pylons with numerous white cables fanning out to support the deck. The bridge extends into the distance, creating a strong sense of perspective. The sky is a clear, deep blue, and the water reflects the bridge's structure and the warm light of the setting or rising sun. The overall mood is serene and majestic.

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Message from the President

Dear AmCham Members & Friends,

It is a distinguished honor for me to serve as President of the American Chamber of Commerce in Romania during the organization's 20th anniversary year!

Both for me and my fellow Board Members this is equally a privilege and a responsibility to consolidate AmCham's impact and value firstly to its members and then to all recipients of AmCham's work! In its present and future endeavors, the Board remains committed to AmCham's mission of being the business association of first choice for advocacy and business growth in Romania!

As with each anniversary, we took out our scrapbook and set about to put a fresh coat of paint on some of the remarkable memories that have built AmCham's identity, values, agenda and impact along the years!

With this Impact Study we are proud to present a strong and professional organization that has become the leading voice for businesses before the Romanian authorities.

The report firstly points to key moments in Romania's last 20 years that have been relevant for AmCham's activity and then illustrates landmarks in AmCham's past. This Impact Study is also unique to AmCham as it represents the first inventory of our members' economic and social impact in Romania during these 20 years! AmCham Romania is as strong as its members, and we are proud to have this occasion to acknowledge this through this Impact Study!

Overall, the report testifies to AmCham's consistent agenda along the years, aimed at making Romania a better home for businesses and a preferred destination for investments! More specifically, AmCham's agenda was driven by objectives such as increasing Romania's economic competitiveness, attract more investment in Romania, facilitate dialogue between government & businesses, reinforce institutions and public administration, business ethics & anticorruption practices, build a strong CSR culture. I look forward to AmCham's continuous success in making each of these objectives a reality for Romania!

We trust that you will enjoy both the look back to AmCham's activity, as well as our vision on Romania's future, and we hope that this will make your AmCham allegiance stronger!

Our warm thank you goes to the EY team for their hard work in putting the report together as well as to all members that have supported AmCham in evaluating its impact and publishing the current report.

Last but not least, the AmCham Impact Study is a tribute to AmCham members, AmCham people and friends that have contributed to what AmCham is today!

May you keep AmCham high on your agendas for the next 20 years!



Valeriu Nistor
President, American Chamber of Commerce in Romania



Message from the Executive Director

Dear AmCham members and friends,

As Paul Sweeney said: „every anniversary is a celebration of trust, partnership, tenacity and love. The order varies for any given year”. On AmCham's 20th anniversary, I am grateful for having had the opportunity to experience a good share of each during my 13-year activity at AmCham.

I trust that the AmCham facts & figures collected in this Impact Study which we proudly launch on our anniversary year will refresh your memory of the successes and sometimes unaccomplishments we reported year after year at AmCham Annual General Meetings or in other contexts.

Since this Impact Study provides a comprehensive picture of AmCham, I will not try to make a personal selection of AmCham accomplishments. Rather, unwinding my AmCham memories, I want to share with you a more discreet AmCham asset, that is its People - AmCham's People, those who volunteer their time and expertise, or those who are hired to do their job every day to ensure the content and professionalism of AmCham's contributions. This is a special occasion to thank my colleagues, past and present members of the Board, former Presidents, who have each contributed to what AmCham is today!

AmCham Romania owes a lot to Ambassador Jim Rosapepe, who made a personal objective just before the end of his mandate, as the American Ambassador, to strengthen AmCham and leave behind a strong organization able to continue in Romania his legacy related to business. This is how I came in the picture, being headhunted right after I took my degree at Harvard. Since then, we had the privilege of AmCham's Honorary Presidents, the U.S. Ambassadors: Michael Guest, Jack D. Crouch II, Nicholas Taubman and Mark Gitenstein, whom we thank for their support, commitment and vision on Romania. I would also like to express my warm appreciation for all my colleagues in the AmCham team, past and present, for diligently taking care of AmCham, for breathing, talking and thinking AmCham 8-12 hours per day.

Another key group of people I want to acknowledge are members of our committees, people who are part of the AmCham member companies. They are in number of hundreds. Committee members give content and direction to the AmCham advocacy work and provide all arguments (be them soft or hard) for the Romanian business environment to become friendlier to business, a level playing field for all and an attractive destination for new investors.

Every year, AmCham's General Assembly delegates its decision and stewardship power to the AmCham Board of Directors. Although this Impact Study features the 2012-2013 team, a special thank you goes to all all business leaders who served on our Board at various times. AmCham and its members appreciate and treasure the time and commitment dedicated to make our organization professional and outstanding. My tribute of gratitude goes to the AmCham Presidents I've worked with: Joel Hays, Obie Moore, Roberto Musneci, Radu Enache, Alexandra Gătej, Sorin Mîndruțescu and, currently, Valeriu Nistor.

Last but not least, we treasure members that are or have been active in the AmCham community. Your resources, people's expertise and involvement of any type are essential for AmCham's advancement and relevance for the business community and the recipients of our work, the decision-makers.

During these 20 years there have surely been ups and downs and challenges, but we've endured and developed a stronger AmCham because of them. During all these years there have also been plenty of good times and joyous occasions, of outstanding successes, or unfulfilled objectives, that served as the glue to keep us together when times got rough, or enjoy together when the economy went well.

I would like to end by sharing with you the joy we have experienced as we: developed the vision, the gratitude for being given the space to express our leadership and have the courage to be bold and audacious amidst resignation and cynicism.

We are proud to have created the family spirit (bringing people together, creating partnerships) and thinking bigger than AmCham. Today AmCham is perceived as a powerful organization due to our bold vision- that there is no limit in what AmCham can do: Corporate Social Responsibility, trade missions to attract foreign investors, advocacy for Romania to get into NATO and EU or formulating public policies priorities for the new government that Romania would benefit of.

Looking forward to an even stronger AmCham to the benefit of our members and Romania!

Anca Harasim
Executive Director, American Chamber of Commerce in Romania

About the study

Reason & Methodology

- ▶ On the occasion of its 20th anniversary, AmCham Romania is conducting this Study to measure the impact of its activities and to highlight its members' impact on the Romanian economy.
- ▶ Although AmCham members are presented yearly reports on the activity of the organization - generally on the occasion of the Annual General Meetings - this is the first time AmCham is making a „collection” of achievements which is meant to be a tribute to AmCham members' contribution and dedication along the years, and another way of stating that AmCham is as strong as its members.
- ▶ Throughout the years, AmCham has constantly worked towards a better business environment in Romania, and the Study includes an inventory of AmCham's successes and contributions that further consolidate AmCham as a reliable, leading professional organization - the first choice & partner for businesses and authorities.
- ▶ The Study will look both at AmCham's impact as an organization and will also emphasize the collective impact of its members on Romania's economic development.
- ▶ AmCham members' economic impact was analyzed with EY's help, using data from public sources (IBP, Trade Registry, National Bank of Romania, media reports) and data provided by AmCham and AmCham members.

AmCham's mission in Romania:

AmCham Romania is the business association of first choice for advocacy and business growth.

Introduction

In April 1993, the initiative of a few subsidiaries of American blue-chip companies, such as Coca-Cola, Colgate-Palmolive, Computerland, Delta Airlines, DHL and Honeywell, became reality when the American Chamber of Commerce in Romania, since then known as AmCham Romania, was founded. All members at that time were US companies among which some of them had made the largest foreign investment in the country after the fall of communism.

The Chamber was established following the signing of the Romanian-American Trade Agreement, which opened an extremely favorable perspective for the expansion of bilateral economic collaboration and the significant increase of American investment in Romania.

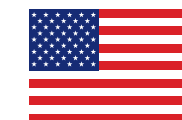
In a letter addressed to Prime Minister Nicolae Vacaroiu in April 1993, AmCham members initiated the first advocacy mission, by signaling the main factors causing difficulties for the timid private sector at that time.

- ▶ Lack of consistency in the newly introduced legislative framework;
- ▶ The bureaucratic procedures of state authorities in relation with private companies;
- ▶ The uncertainty regarding the effective decision-making powers of the executive management of state-owned companies.

While some of the topics above are still familiar today, in 2013 AmCham Romania operates in a fully-fledged EU and NATO member state, representing more than 350 companies, doing business in Romania.

Also worth mentioning is that Romania now has a Strategic Partnership with the U.S., primarily focused on defense, and the EU and U.S. are negotiating a Trade and Investment Partnership to boost transatlantic trade and cooperation.

Landmarks in Romania's Relationship with the United States and European Union



Romania's NATO Admission

- ▶ Post-Cold War Romania developed closer ties with Western Europe, eventually joining North Atlantic Treaty Organization (NATO) in 2004, along Bulgaria, Estonia, Latvia, Lithuania, Slovakia and Slovenia.
- ▶ "The accession of Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia and Slovenia demonstrates the principle that freedom is irrepressible," said Secretary General Jaap de Hoop Scheffer, opening a special meeting of NATO Foreign Ministers, which followed the raising of the flags. "From now on, 26 Allies will be joined in a commitment to defend each others' security and territorial integrity. This is the strongest, most solemn commitment nations can undertake," he added.

Romania's Accession to the European Union

- ▶ The country applied in June 1993 for membership in the European Union (EU). It became an Associated State of the EU in 1995, and an Acceding Country in 2004. After seven years of talks, Romania was able to take on the rights and obligations of EU membership on January 1, 2007, alongside Bulgaria.
- ▶ During the 2000s, Romania implemented a number of reforms to prepare for EU accession, including the consolidation of its democratic systems, the institution of the rule of law, the acknowledgement of respect for human rights, the commitment to personal freedom of expression, and the implementation of a functioning free-market economy.
- ▶ While both Romania and Bulgaria were admitted, the two countries were subject to monitoring from the European Commission through a Mechanism for Cooperation and Verification (MCV). It was initially set up for three years, but has continued indefinitely until now.

Romania - EU Bilateral Trade Agreement

- ▶ Romania is a signatory of the General Agreement for Tariffs and Trade (GATT), the World Trade Organization (WTO), the European Free Trade Agreement (EFTA), and the Central European Free Trade Agreement (CEFTA). Furthermore, Romania has entered into over 80 agreements for the avoidance of double taxation and the prevention of tax evasion on income and capital.
- ▶ Romania is also a member of the International Monetary Fund, the World Bank (i.e., the International Bank for Reconstruction and Development and the International Finance Corporation), and the European Bank for Reconstruction and Development.
- ▶ As an EU member state, Romania adheres to the Common Commercial Policy and accepts the European Commission as a collective negotiating body for important international trade-related matters, particularly negotiations within the WTO. It also conforms to the anti-dumping and anti-subsidy measures adopted by EU, and does not adopt any trade defense measures or instruments against other EU member states.

Romania - US Strategic Partnership for the 21st Century

- ▶ In September 2011, the United States of America and Romania have signed a Strategic Partnership for the 21st Century.
- ▶ Romania and the United States share a history of close ties between people, through cultural, economic, and scientific relations. This Strategic Partnership reflects the excellent and broadening cooperation between the two countries to promote security, democracy, free market opportunities, and cultural exchange.
- ▶ The continued development of a durable and long-term Strategic Partnership increases the security of the United States and Romania, as well as the security of the Euro-Atlantic area. The cornerstone of this cooperation is the solidarity embodied in Article 5 of the North Atlantic Treaty, which provides that an armed attack against one or more North Atlantic Treaty Organization (NATO) countries shall be

considered an armed attack against them all. The United States and Romania acknowledge the importance of enhancing their individual and collective security by working within NATO, the United Nations, and other international organizations, consistent with United Nations Charter and international law.

- ▶ Today, security cooperation between Romania and the United States is robust. The United States and Romania have **reached agreement on stationing in Romania elements of the U.S. European Phased Adaptive Approach to missile defense**, which is an extremely valuable contribution to the development of a NATO missile defense capability. In this context, on May 3, 2011, the United States and Romania announced the selection of Deveselu Airbase as the site of the facility, thus reaffirming the commitment of both our countries to missile defense. The deployment is anticipated to occur in the 2015 timeframe.
- ▶ Romania and the United States also cooperate broadly and successfully on security, including through Task Force East, enabling U.S. European Command and its service components periodically to deploy to Romania to work with Romanian partners and effectively conduct training exercises with military forces from the Central European and Black Sea regions. Such cooperation has proceeded on the basis of the Agreement between the United States of America and Romania regarding the Activities of United States Forces located on the Territory of Romania, done in Bucharest on December 6, 2005.
- ▶ Romania and the United States also have partnered effectively, both bilaterally and in the context of NATO operations, such as the NATO Training Mission in Iraq, the International Security Assistance Force in Afghanistan, the Kosovo Force (KFOR), and Operation Unified Protector in Libya and other operations, such as Operation Enduring Freedom and Operation Iraqi Freedom. The United States welcomes Romanian approval for a U.S. request to use Mihail Kogalniceanu Airbase and the nearby port of Constanta as a logistical hub for U.S. materiel in transit to and from Afghanistan and other areas of operation. Both nations believe that such cooperation brings long-term mutual benefits for our security relationship and strengthens the NATO Alliance.

- ▶ The two countries continue to support opportunities for **increased trade and investment**, cooperation between the two business communities, and the development of deeper industrial and technological cooperation.
- ▶ President Obama has endorsed legislation co-sponsored by several members of Congress that would reform how countries qualify for the Visa Waiver Program to ensure that strong Allies get proper consideration. This legislation requires that aspirants to the Visa Waiver Program commit to enhanced counter-terrorism cooperation with the United States. We look forward to Romania meeting this objective.

AmCham Members in the Spotlight



EY Romania

▶ Company's start on the Romanian market:

Since 1992, EY Romania has been a leading company in the professional services market.

▶ Tipping point in business:

EY Romania is part of EMEA Area, a single operating unit linking 93 countries through an integrated technology platform enabling instantaneous communication, bringing together the best teams, drawing on all expertise, across sectors, services and geographies. From 1 July 2013, Ernst & Young becomes EY, the logo has been modified in response to this change and the company's new tagline becomes "Building a better working world". The new visual identity reflects the new strategy of EY, Vision 2020.

▶ The business today:

Today the network of four offices in Bucharest, Cluj-Napoca, Timisoara, and Iasi is headed up by 17 partners and with 500 executives and staff. EY Romania has gained significant experience in serving leading companies and investors in various industry sectors. The firm's services clearly stand out in the market due to focus on quality, the professionalism of people and a sophisticated review process that integrates knowledge and tools. EY has a wide range of client portfolio in Romania, including publicly owned companies, major foreign investors, multinationals, national companies and entrepreneurial businesses.

▶ Outstanding people:

Bogdan Ion, Country Managing Partner at EY Romania has 17 years of professional experience in audit, transaction services and financial consulting. He has been involved in projects across all the service lines and coordinated large audit engagements in sectors such as power & utilities, oil & gas, pharmaceutical and retail, for multinational companies as well as for local entrepreneurial businesses. He is

a representative for Romania in The European Forum for Audit Quality. Bogdan is member of EY's working group which monitors EMEA region in view of designing solutions for companies and institutions challenged by the recession. Bogdan strongly advocates for entrepreneurship support on the local market, by sharing relevant business knowledge and getting involved in professional projects and think-tanks, which facilitate strategic assistance to entrepreneurs across the country.

▶ Contribution to Romania:

EY Romania has been actively involved in the development of the national accounting standards and other areas of the regulatory framework. Additionally, it has played a leading role in the progression and introduction of international financial reporting standards in Romania. The firm was involved in a major project advising the Romanian Security Commission on rules and regulations and on corporate governance issues. EY Romania was also an advisor on the establishment of the Bucharest Stock Exchange and has been involved in a number of privatization projects on both the buy- and sell-side.

▶ AmCham membership going forward

EY will further collaborate with AmCham by continuing to advocate for a functional PPP legislation and promote the combination of PPP projects with EU funding. EY will bring added value through the sharing of best practices on infrastructure strategic approach and development and will also contribute to the areas focused on current economic issues on road infrastructure, health, energy, IT, labor market.

Important milestones for the Romanian business community

with a direct impact on Romania's economic competitiveness and attractiveness for investments in the recent years

The Fiscal Code

- ▶ The most recent revision of the Fiscal Code which became active on 1 February 2013 establishes Romania's new tax system, the general principles of taxation, rules for determining, payment and collection of taxes, and the rights and responsibilities of taxpayers and State tax authorities. The new Code streamlines the Romanian tax legislation and makes it compatible with the standards of the Organization for Economic Cooperation and Development (OECD) and of the European Union.
- ▶ The Ministry of Public Finances has coordinated an intensive project for rewriting the Fiscal Code and Fiscal Procedural Code which is expected to be enforced beginning with 2014.
- ▶ The Romanian tax system is under constant development: it has been simplified progressively under consecutive governments in a bid to comply with the EU, World Bank, and International Monetary Fund norms and requirements.
- ▶ Prior to Romania's entry to the EU, the Government reformed and simplified the tax code in order to encourage economic growth and foreign investment: the country is now fully integrated into the EU customs and excise tax systems and value-added tax transfer system.
- ▶ Under the so-called "32 anti-crisis measures", the government abolished the minimum taxation level, replacing it with a lump-sum tax on corporations, from January 2010. Despite progressive reforms, tax collection is inefficient. In mid-2012 the independent fiscal council reported that tax collection in Romania was 12.1% below the EU average.
- ▶ AmCham Romania along with other representatives of the business community are calling for ore improvements and reforms to increase the attractiveness of the tax environment for new investments.

The Labor Code

- ▶ The current Labor Code became active in 2011. It increases flexibility in the labor market, and is meant to be a tool contributing to Romania's economic competitiveness.
- ▶ As the economy recovers, and enterprises become convinced that the scale of their operation can be profitably increased, the more flexible labor rules should encourage managers to hire.

The Civil Code

- ▶ The new Civil Code entered into force on the 1st October 2011. It is a mix between the old Romanian Civil Code dating back to 1864 and the Civil Code of Quebec, considered by specialists to be one of the highest performing legal instruments.
- ▶ The new Civil Code has revised important business aspects related to joint ventures. Also, the new Civil Code has regulated additional protection of moral rights of inventors and authors of literary or artistic copyrighted works providing them with the possibility to seek definitive or injunctive relief for the immediate cessation of such rights' infringement and the safeguard of evidence in this respect.

The American Chamber of Commerce

Our mission in Romania
AmCham is the first choice for advocacy and business growth in Romania!

The American Chamber of Commerce in Romania (AmCham Romania) is a non-profit and non-political organization established in 1993 by American investors in the country. At the moment, it is one of the 115 international AmChams in 102 countries affiliated to the U.S. Chamber of Commerce, based in Washington D.C., and a member of the AmCham's in Europe (ACE).

Currently, AmCham Romania has over 350 members, consisting of major U.S., foreign and local companies doing business in Romania, as well as small and medium-sized firms and business executives in the country. The association is entirely autonomous, with no subsidy from any government body, and relies on income from membership dues and its own activity.

The AmCham Mission:

- ▶ To be the leading representative for U.S., international and local companies doing business in Romania, and to promote the global competitiveness of the country.
- ▶ To advance the business interests and views of its members providing a reliable forum through which business people come together and exchange information to promote and develop their mutual interests in Romania.
- ▶ To identify by consensus improvements to the business environment and advocate them before the Romanian authorities.
- ▶ To enable and facilitate corporate civic initiatives, particularly in terms of Corporate Social Responsibility and other community engagements.
- ▶ To foster business leadership by upholding the highest standards of business ethics and commercial practice.

The AmCham Purpose:

Our purpose is to advance AmCham Romania as the most broad-based, consensus-led professional business association in Romania. We are firmly committed to assist our members to collectively communicate their important business concerns to the highest levels of the Government of Romania in a manner that facilitates understanding, identification of common interests, practical and transparent solutions, which largely benefit the long-term interests of both the international business community and the Government of Romania.

Key Moments in AmCham's Evolution

During its 20 Years of Activity in Romania

1993

AmCham Romania is founded

1994

AmCham Board appoints Executive Director and launches AmCham Info newsletter

1995

AmCham Romania is accredited as member of the U.S. Chamber of Commerce

1997

AmCham Romania goes online www.radiotel.ro/AmCham

AmCham Romania sends President Clinton a support letter for Romania's early admission to NATO (May 1997)

2000

AmCham Romania - new executive team and new initiatives (business events are initiated; committees are set up)

2001

AmCham Romania organizes Trade Delegation to Serbia

2002

AmCham Romania and the U.S. Embassy organize 9/11 Commemoration event

AmCham Romania organizes the first Thanksgiving Dinner

AmCham Romania organizes first conference on Corporate Social Responsibility

AmCham Romania is awarded "Best Contributor to the Image of Romania by Business" by MAE

AmCham Romania delegation to Washington D.C.

2003

1st edition of the People for People Awards Gala

2006

AmCham Romania is the Romanian partner of the World Economic Forum Partnership Against Corruption Initiative (PACI)

AmCham Romania, partners with ARC and FDSC to start '2gether we're stronger'

2004

AmCham brings in Romania the largest Leadership conference at the time - Living Leadership, Delivering Results the Right Way

2007

AmCham Romania is awarded Business Superbrands

2008

AmCham Celebrates 15 years

Ambassadorial RoadShow to the U.S. (with Ambassadors Nicholas Taubman and Adrian Vierita)

1st edition of Priorities for Romania

AmCham Celebrates 15 years

2009

AmCham Romania with BRCC and FIC organized Romanian Economic Forum

2011

AmCham Romania elaborates first Romanian Competitiveness Report

2010

AmCham Romania launched Code of Corporate Governance

AmCham Romania launched AmCham Learning & Innovation Center

2012

AmCham Romania initiates the Business Coalition for the Development of Romania

AmCham Romania launches Anti-Corruption Guidelines

2013

AmCham Celebrates 20 years in Romania



Members of the American Chamber of Commerce

November 2013

3M Romania	Apex Team International	BGS Medical Unit
A&D Pharma	APT Resources and Services	BIA HR
A&S Capital Market Advisors	Aqua Financial Consulting	Biris-Goran
AB Energy	ArcelorMittal Galati	Boehringer- Ingelhelm
Abbott Romania	Architected Business Solutions	Bostina&Associates
Accent Travel & Events	ASA GeoExchange	bpv Grigorescu Stefanica
Accenture	ASEBUSS	BRD - Gropu Societe Generale
Access for All	Asociatia pentru Relatii Comunitare	Bristol Myers Squibb Int'l Co.
Achieve Global	ASPEN Institute Romania	British American Tobacco
Actavis	AstraZeneca Pharma	Building Support Services
Adobe Systems Romania	Athenee Palace Hilton Hotel Bucharest	Bulboaca & Asociatii
AGS Bucharest	Avangate	Bunge Prio
Aims Human Capital Romania	Avis	Bursa de Valori Bucuresti
Alcatel-Lucent Romania	Avon Cosmetics Romania	Business Insider
Alico	AXA Life Insurance	Business Review
Alinso Group	Azomures	BWSP Hammond Bogaru & Associates
Alpha Consulting Business Solutions	BAE Systems	Cameron Romania
Alro	Baker Tilly Klitou	Candole Partners
American Experience	Banca Comerciala Romana	Capgemini Services Romania
American International School of Bucharest	Bancpost	Cargill
Amgen	BAYER	Carpatcement Holding
Amromco Energy	BCD Travel Romania	CBRE Real Estate Consultancy
Amrop	BDO Romania	Cegedim Romania
Amway Romania Marketing	BDR Associates - Communication Group	Center for Entrepreneurship and Executive Development
Andra Musatescu Law & Industrial Property Offices	Bechtel International	Ceva Logistics
Aon Romania	Bergenbier	ChairPro Romania
Aperio Executive Coaching	Berlitz	Chevron Romania Exploration & Production
	BGS Divizia de Securitate	

Cisco Systems Romania	Dima&Asociatii SCA	George Vascan
Citibank	DLA Piper	GeoStrategies
City Compass	DZ Consulting International	GlaxoSmithKline
Civil Society Development Foundation	EHS Energie	Graffiti BBDO
Class IT Outsourcing	Eli Lilly	Green Revolution Association
Clifford Chance Badea	Eltrix Romania	Greif Flexibles Romania
CMS Cameron McKenna	EMC Romania	Gruia Dufaut
Coca-Cola Hellenic	Emerson	GSE Proiecte Turnkey
Coca-Cola Romania	Empire Design&Construction	GTS Telecom
Colgate Palmolive	Enel	H&M Hennes&Mauritz
Colliers International	ESOP Consulting/CORFAC International	Habitat for Humanity
Computer Generated Solutions	EU Advisors	Halcrow Romania
CONARG AG	Eurest Rom	Hampton by Hilton Cluj-Napoca
Conectys	Eurofin Consult srl	Happy Tour
Constructorul Canda	Euroglobal Audit & Advisory	HART Human Resources Consulting
Consulteam Romania	Eximtur	Healthcare Digital Info
Contexpert Consulting	Exxonmobil Exploration and Production	Hewlett-Packard
Cook Communications	EY	Hoeganaes Corporation Europe
Corciu & Asociatii Law Firm	F&R Worldwide	Honeywell Garrett
CoreInvestConsulting	FinExpert Consulting	Honeywell Romania
Corporate Counselling Services	Flextronics Romania	Hospice Casa Sperantei Foundation
Corporate Office Solutions	Ford Romania	Howard Johnson Grand Plaza Hotel
Cosmovici si Asociatii	Forever Living Products Romania	Human Synergistics Romania
Crescendo, the IT&C Solutions House	FPDL - Partners Romania Foundation for Local Development	Hunt Oil Company
Crowne Plaza Bucharest	Franklin Templeton Investment Management	IBM Romania
Danubius University	Freescall Semiconductor Romania	ICAP Romania
David & Baias - SCPA	Fulbright Commission	Ilie Claudia
DEFI Romania	Fundatia Pact	INDAS Tech
Dell Romania	General Electric Healthcare	ING Asigurari de Viata
Deloitte Romania	General Electric International	Inocenti Foundation
Delphi Corporation		Intel Corporation
Dentons		

Members of the American Chamber of Commerce

November 2013

InterContinental Bucharest
Interdean Romania
Janssen
Jerry's Pizza
JTI Romania
Junior Achievement Romania
JW Marriott Grand Hotel
Kinstellar
KPMG Romania
Lafarge
LEAUA & Asociatii
LIM-Leadership in International Management
Linkage Training & Consulting
Lockheed Martin Global INC.
London Brokers
Louis Berger
Lowe&Partners
Lufkin Industries
Lugera & Makler
Maldon&Wat
Manpower Romania
Marsh
Mastermind Communications
Mavis Concept
Mazars Romania
McCann Erickson
McDonald's Romania
McGregor & Partenerii

McGuireWoods Romania
McKinsey&Company
Mecro System
Medicarom Group
MedLife
Medtronic
Mercedes-Benz Romania
Merck Sharp & Dohme Romania
Microsoft Romania
Miiles
Mind Shop
Mirus Consultanta Fiscala
mkco.ro
Mondelez
MORE Green Energy
Motivation Romania Foundation
Motorola Solutions
Musat & Asociatii
National Instruments Romania
Nestle Romania
Nestor Nestor Diculescu Kingston
Petersen
Net Worth Advisory
New Horizons Foundation
Nexus Consulting International
Noerr
Novartis Pharma Services
Oameni si companii
On Active

ONV Law
Opportunity Microcredit Romania
Oracle Romania
Orange Romania
Orban Biris European Consultants
OTP Bank Romania
Ovidiu Rom
Pachiu & Associates
Pan-Terra Corporation
PC-WARE
Pedersen&Partners Consulting
PepsiCo Romania
Perfect Tour
Performance
Peter M. Weiss
Pfizer Romania
Philip Morris Romania
PineBridge Investments
Pioneer Hi Bred Romania
Pirelli Tyres Romania
Pitech+Plus
Plastipak Romania
Point Public Affairs
Popovici Nitu & Asociatii
Post Privatisation Foundation
PRAIS Corporate Communications
Pro Act Suport
Procter&Gamble Marketing Romania
Professional

Provident Financial Romania
PwC Romania
Q-East Software
Quest Advisors
Radu Rafiroiu, Tax Office
Raiffeisen Bank
Ratiu Center for Democracy
RBS Romania
Reff si Asociatii S.C.A.
Regina Maria Private Health Network
Relians Corp
Ridgewood Advisors
Rilvan Group
Rödl & Partner
Romania Green Building Council
Romanian International Bank
Romanian Software
Romanian-American Foundation
Romanian-American University
Rompetrol
Romtelecom
Rosia Montana Gold Corporation
RSM Scot
RTPR Allen & Overy
RVR Energy Consult
S&T Romania
Saatchi & Saatchi Romania
Sandler Training
Sandoz Pharma Services
Sanofi
SAP Romania
SAS Romania
Schoenherr

SDV-SCAC Romania
Serban & Musneci Associates
Siemens
SigmaBleyzer Investment Group
Signal Iduna Asigurari de viata
SIVECO Romania
Skanska Romania
Smartree Romania
Smithfield Romania
Sodexo Romania
SofMedica
Soros Foundation
Stanton Chase International
Steelcase Romania
Stein Bestasig
Stericycle Romania
Sticker International & Advertising Group
Stoica&Asociatii
Target Romania
Tarus Media
TDP Partners
Teaha Management Consulting
TechSoup Romania
Teva Pharmaceuticals
The Facility Maintenance Company
The Group
The Nova Group Investments
The Princess Margarita of Romania Foundation
Tiffin University
Timken Romania
Titan Machinery
TMF Romania

TMI Training & Consulting
Top Movers American Logistics
Total Business Solutions
TPA Horwath
Traducembine
Transfer Pricing Services
Transylvania College Foundation
Triple Helix
Tuca Zbarcea & Asociatii
UCMS Group
United Way Romania Foundation
Universal Alloy Corporation Europe
Universal Card Systems
UPC Romania
UPS Romania
Ursus Breweries
UTI Grup
VASS Lawyers
Veolia Water Solutions & Technologies Romania
Vilau & Mitel SCPA
Vodafone
Voicu & Filipescu
Wave Division
WEBHR
White&Case
WNS Global Services
Wolf Theiss
World Trade Center Bucuresti
World Vision Romania
Worldspan Romania Services
Xerox Romania
Ymens Teamnet

AmCham Romania in a Nutshell

"AmCham is a vector of business conduct in Romania, setting the standards for corporate governance."

Valeriu Nistor, AmCham Romania President

The types of industries represented in the membership structure somehow mirrors the industry share in the Romanian economy. Industries largely represented in the AmCham membership: IT, professional services, financial services, banking, FMCG, HR, healthcare and pharmaceuticals. Furthermore, Romanian companies are strongly represented among the Chamber's members.

Our Members

Membership Structure

Initially, the American Chamber of Commerce was the association of American companies doing business in Romania. Over the past 20 years, AmCham's mission has essentially expanded to representing a wide business community in Romania in the dialogue with the central authorities. Beginning with year 2000, AmCham Romania opened its membership to non-U.S. enterprises. Company origin or size is not the criteria for joining AmCham – it is rather commitment to the Romanian market, integrity, business ethics, and solid internal structure that AmCham is seeking in its member companies.

Today, AmCham Romania's membership comprises of a wide variety of companies in terms of business sector, type of activity, shareholder structure as well as volume of investment or operation.

AmCham Romania's membership structure has developed into the following categories: Patron, Corporate, Business, Non-Profit and Individual. The main criterion differentiating the categories above is the yearly global turnover of the company. During the past 10 years, the number of member companies more than doubled, with corporations steadily increasing their share in total membership, while NGOs and individuals have gradually consolidated their presence and contributions.



Violeta Ciurel

President & CEO AXA Life Insurance
Member of the AmCham Romania Board of Directors

"A very positive fact is that AmCham welcomes members from all industries and irrespective of their country of origin and capital size. The Chamber includes companies from around the world, big, medium, small and even individual professionals. This wide diversity makes AmCham the perfect partner for dialogue with state authorities in all economic areas."



Roberto Musneci

Senior Partner, Serban & Musneci Associates
Former AmCham Romania President
2004- 2006

"AmCham and its leadership has to retain the necessary blend between industrialists, bankers, communicators, advisors and consultants in all fields in order to have a 360° perspective on the local business environment."

AmCham Members in the Spotlight



Procter & Gamble

► Company's start on the Romanian market:

P&G registered for the first time in Romania in 1992, started selling its products in 1993 and opened its first office in the region in Bucharest in 1994.

► Tipping point in business:

In October 1995, P&G purchased the detergents plant of Timisoara and soon started reconstruction works. 2006 meant Procter & Gamble Distributions SRL merger with Gillette Romania SRL, taking over the latter's net assets. As of 2006, the company has opened a Regional Service Center in Romania in charge of attending the needs of all P&G offices in Europe. As part of its strategy of sustainable development in Romania, P&G has started, at the beginning of February 2009, the first Greenfield investment in Romania through the construction works of its plant in Urlati, Prahova county, which became operational in September 2010.

► The business today:

P&G had an organic sustained growth on the Romanian market, as a result of a development strategy that has at its core the consumer's needs, but also as a result of a well-known, diversified and innovative brands portfolio, very appreciated in Romania. P&G is present on the local market by 3 entities covering a wide range of activities, from the actual production, to marketing and distribution activities.

Outstanding people:

From innovative products, through talent management best practice, to social engagement programs, P&G is constantly recognized for its activities. In Romania, the employees passion and dedication, was translated in multiple awards and recognitions received by the company among which: The best marketing cause related program "Chance to life, chance to new memories" in 2009, „Best Investor of the Year Award” awarded in 2011, by the reputable Nine O’Clock publication and “Clean Business Award” received in 2011, during the 6th edition of the Annual Investments Awards.

► Contribution to Romania:

One of P&G's basic principles is to help improve the life of communities where it activates. The educational programs performed in schools and maternities, P&G's "Learn to change the world!" civic education program, the "P&G 2000: A computer, one more chance in future", building homes in partnerships with Habitat for Humanity are only some of the programs P&G has performed for the community in the area.

AmCham Romania Governance

The governing body of the Association is the General Assembly of Members. Each year, AmCham Romania members entrust the decision-making and operative management to the Board of Directors consisting of eleven members who can serve for up to three consecutive years.

AmCham's executive management is ensured by the Board of Directors and the Executive Committee, together with the Executive Director of the Association. The Executive Committee consists of the President, the two Vice-Presidents and the Treasurer.

The U.S. Ambassador to Romania is the Honorary Chairman of the Association . The General Assembly also elects during its Annual Meetings an Auditing Commission consisting of three members, an independent body from the management and executive team of the association.

The AmCham Office is run by the Executive Director and it currently employs seven staff members.

Meet AmCham's Board of Directors for the 2013- 2014 Mandate

President:



Valeriu Nistor
Country Manager
IBM Romania

Vice-Presidents:



Nadia Crișan
Managing Director
McGuireWoods Consulting Romania

20 years of advocacy and excellence in Romania



Radu Florescu
CEO
Saatchi & Saatchi

Treasurer:



James Daniel Stewart
Vice-President
Raiffeisen Bank

Members at large:



Violeta Ciurel
President & CEO
AXA Life Insurance



Alexandru Valeriu Binig
Director, Energy & Resources Leader
Deloitte Romania



Anda Todor
Managing Partner
Dentons



Bogdan Ion
Country Managing Partner
EY Romania



Daniela Nemoianu
Executive Partner
KPMG Romania



Sorin Mîndruțescu
Country General Manager
Oracle Romania



Hans Dewaele
Vice-President, General Manager Balkans
Procter & Gamble

Auditing Committee:



Serge Gonvers
Audiconsult



Manuela Furdui
Finexpert



Florentina Grigore
RSM Scot

AmCham's Operational Team



Anca joined AmCham Romania as Executive Director in 2000 and since then she has energetically coordinated the AmCham team and contributed to AmCham's growth from a 42-member organization to over 350 members today. I love working for AmCham as I trust our member companies are a significant stakeholder and their voice brings a valuable contribution to shaping up the public policy agenda in Romania. I am proud to be part of and contribute to an effective and professional business association.

Anca Harasim
Executive Director



Mihaela joined AmCham Romania team in 2001 as responsible for finance and administration. What Mihaela enjoys about working with AmCham is the chance to get to know many people involved in AmCham's activities.

Mihaela Gușu
Finance & Operations



Letitia joined AmCham in 2007 as Advocacy Manager, a position which she carried on since. What Letitia enjoys most about working with AmCham is the opportunity to have an in-depth understanding of the business issues and solutions addressed by AmCham members in order to make a difference for Romania.

Letiția Pupăzeanu
Advocacy



Camelia joined AmCham Romania team in September 2007 as Events Coordinator. Later on her responsibilities extended to managing CSR projects and coordinating the Corporate Governance and ICT Committees. What Camelia enjoys is being part of a great team and having the opportunity to organize a wide variety of events.

Camelia Stanciu
Events & Marketing



Andreea joined the AmCham team in 2006 as Communication Coordinator. She is responsible for communication with members and AmCham's external communication, and also coordinates the Health committee. What Andreea enjoys most about working with AmCham is the diversity of tasks and being part of a large network.

Andreea Roman
Communication & Membership



Ovidiu joined AmCham in Fall 2012 and is involved in coordinating of AmCham's committees and task forces. What Ovidiu enjoys most about working with AmCham is contributing to regional and national policies in order to obtain much needed convergence.

Ovidiu Croitoru
Investment & Advocacy



Ana-Maria joined AmCham Romania in May 2013 and she supports AmCham's advocacy activity, while ensuring AmCham's contribution to the Business Coalition secretariat. She enjoys the opportunity to relate with high-level working groups with bright minds and ambitious endeavors.

Ana-Maria Dorobăț
Advocacy & External Relations



Dan joined AmCham Romania in 2001, as responsible with administrative and courier tasks. He continues to support the AmCham team with office and events logistics.

Dan Dochia
Administration



AmCham's Programs and Activities

Advocacy

Over the past 20 years AmCham has succeeded in coagulating the business community on topics of high-interest for Romania's economic development. The Chamber took one step further by engaging its members and partners into a constructive dialogue with regulators and Government bodies. Through its advocacy structure, AmCham developed a platform that enables the business community at large to express the needs, opinions and concerns of private actors operating in the Romanian economy.

The key to achieving this sustainable private-public dialogue over the years, irrespective of political shifts and turbulences, was the Chamber's ability to drive a transparent and unbiased dialogue with all decision-makers. It is basically a three-step process:

- ▶ Keeping open the communication channels with authorities, irrespective of internal changes in the public institutions' organizational chart;
- ▶ Encourage public actors to engage in a dialogue with the AmCham on issues of high-importance for the business community;
- ▶ Achieving concrete results: consistency in its effort to calibrate legislative projects to the needs of the business environment, promoting measures that would serve the Government's objectives to attract new investments in the economy, taking proactive measures to enhance the local market competitiveness.

The advocacy efforts of the Chamber are possible through the relentless work and focus of AmCham's numerous Committees and Task-forces, which translate into countless position papers and events. Truly representative for this process is one of AmCham's most prominent documents – "Priorities for Romania" – which is published before each Parliamentary or Presidential election and is presented to the new Cabinet after its nomination. This is a high-level document which delivers concrete recommendations on priority economic sectors and the strategic measures needed by the local business environment.

In its dialogue with the Government and central authorities, AmCham positions itself as a resource center providing access to expertise and best practices accumulated in the local and international business environment.

"I think we should be aware of these steps, and once we go to the next level in the process, to make sure that we complete it. If we cannot stimulate our public counterparts to engage in a conversation that is relevant to us, we must understand why that happens and how we can overcome communication bottlenecks. And when they do commit to a real dialogue, we need to fully understand what we can achieve together. No matter how small the result, it is the good start that counts."

Valeriu Nistor
AmCham Romania President

"At the moment AmCham is, by far, the most credible source of advocacy for the business community in Romania. And not only the foreign business community – at the end of the day, the core objectives of the association are relevant for both local businesses and foreign ones."

Roberto Musneci
Senior Partner, Serban & Musneci Associates

Committees and Task-forces

Each year AmCham has established working groups generally called "Committees" and Task-forces to address the key areas that define the Romanian economy and the local market competitiveness. Each of these committees is enabled through the active involvement of member-companies, that volunteer to chair and contribute to these internal working structures. Their role is to continuously assess the evolution of the local business environment and to provide relevant guidelines and position papers to public stakeholders regarding their specific economic areas of focus.

AmCham Committees are chaired by members of the Board, and may be co-chaired by other active AmCham member, generally with a technical expertise in the respective field. An AmCham member company can delegate one or more representatives in all committees considered relevant for its activity.

A golden rule in the Chamber's advocacy activity is that AmCham does not advance in its agenda issues that impact one company only. In order to be addressed by AmCham, issues need to be of interest for a group of at least five member companies.

The structure of AmCham's Committees and Task Forces is reviewed each year by the Board of Directors, following the Annual General Meeting, in order to ensure their relevance and substance for the membership, as well as in the context of Romania's economic agenda.

Currently, AmCham Romania has 11 standing committees and two task forces, as follows:

- ▶ Agri-Business, Food And Tourism
- ▶ Capital Markets
- ▶ Competition And State-Aid
- ▶ Corporate Governance & Public Procurement
- ▶ Energy & Environment
- ▶ Healthcare
- ▶ Information & Communication Technologies - Cloud Computing Task Force
- ▶ Labor & Education - Education Task Force
- ▶ PPP & Infrastructure
- ▶ Structural Funds
- ▶ Taxation



Agri-Business, Food & Tourism Committee

The Agri-Business, Food and Tourism Committee mainly advocates on the following principles:

- The need for Romania to clarify agricultural legislation in order to develop competitive advantages on the global and European market and provide input to Romania's negotiating team on the Common Agriculture Policy (2014 - 2020);
- The need for Romania to support the development of a national irrigation system capable of reducing impact of weather;
- The need to encourage the tourism activities as part of the National Rural Development Plan in order to improve and diversify rural life and increase employment;
- The reduction of VAT for food in order to boost development and reduce burden on national producers;
- The need for Romania to clarify tourism legislation in order to reach its immense potential.

Nadia Crișan

Managing Director at McGuireWoods Consulting Romania and Chair of the Agri-Business, Food & Tourism Committee

"Agriculture is a key engine for economic growth in Romania, but it is currently chronically underused and underfunded. It is crucial for Romania to prioritize support for champion sectors from the agriculture industry in order to achieve improved competitiveness."



Capital Markets Committee

The general objective of the Capital Markets Committee is to promote an improved attractiveness of the Romanian capital market for foreign and local investors and for companies interested to raise capital.

James Daniel Stewart

Vice-President Raiffeisen Bank and Chair of the Capital Markets Committee

"Through our activity, we aim to promote measures that improve liquidity and to enhance the dialogue between the regulator and the main actors on the market, such as the stock exchange and investors interested in the local market."



Competition and State-Aid Committee

The Committee's main objective is to promote a competition environment on the Romanian market to the benefit of the final consumer and Romania's overall competitiveness. The Competition Committee focuses its interventions and recommendations in three main areas:

- Primary legislation
- Secondary legislation
- Dissemination of information and best practices among companies

Livia Constantinescu

Partner DLA Piper and Chair Competition and State-Aid Committee

"We support the Romanian Competition Council's initiatives aimed at ensuring that the Romanian legislation, including the implementing procedures, is in line with the procedures applicable at EU level. The Committee advocates for amendments to the Romanian legislation in order to incorporate best practices in the EU."



Corporate Governance and Public Procurement Committee

aims to increase the awareness of good corporate governance within the business community by promoting and providing access to best corporate governance practices in order to improve the businesses' competitiveness, integrity and transparency.

Anca Todor

Managing Partner Dentons and Chair of the Corporate Governance & Public Procurement Committee

"The most important Committee's outcome is the AmCham Code of Corporate Governance. The Code is providing guidance to Romanian joint-stock companies in their day-to-day management, as well as in the relationship between various corporate bodies, shareholders and other stakeholders, and establishing best practices of supervision and accountability. Its aim is to cover principles in the Romanian legislation regarding companies, as well as to introduce new recommendations where the law is silent and, thus, source of doubts."



Energy & Environment Committee

Through the Energy & Environment Committee, AmCham Romania provides support and expertise to address key energy challenges in the context of CEE regional energy market and the achievement of EU Energy Efficiency Policy, in terms of a sustainable, competitive and secure energy future for Romania.

Alexandru Valeriu Binig

Director, Energy & Resources Leader Deloitte Romania and Chair of the Energy & Environment Committee

"The Committee supports urgent and coherent action, based on best industry practices, in order to address the triad competitiveness - climate change - security."



Health Committee

Through position documents addressed to the main health care decision makers, members of the Health Care Committee expressed their support for transparency, control and efficiency measures, leverage of innovative health technologies to drive efficiencies or using IT systems to achieve control and transparency. At the same time, areas of concern conveyed by the committee include decreasing spending on overall health care, unfavorable business environment, unpredictable and frequent legislative changes impacting the industry, or measures favoring ambiguity.

Violeta Ciurel

President AXA Life Insurance and Chair of the Health Committee

"The AmCham Health Committee believes that better health and longer life expectancy will create more wealth for Romania, therefore it seeks to provide responsible authorities with win-win solutions to build a sustainable health care system aimed at improving Romanians' health and adding 10 years of life expectancy in the next 15 years."



ICT Committee

The ICT Committee addresses authorities and community on special initiatives to promote the industry, advocates for infrastructure improvements in the field of IT and Communications, for an increased the role of ICT in the administration and for the promotion of incentives aimed at maximizing this sector's potential of contributing to Romania's development from several angles. It also deals with labor force shortage and education, data security and the intellectual property protection issues.

Marius Georgescu

Director Public Sector, Hewlett-Packard and Chair of the ICT Committee

"The ICT Committee's intention is to encourage innovation, economic growth and improvements in daily life for both citizens and businesses in this strategic industry for the Romanian economy."



Infrastructure and PPP Committee

The Committee's role is to support public authorities with valuable position papers and opinions in one of the most significant areas for economic growth. The overall objectives of the Infrastructure and PPP Committee are:

- Continue advocating for a functional PPP legislation and up-date the PPP Position Paper
- Promote the combination of PPP projects with EU funding for 2014 - 2020
- Have meetings with potential beneficiaries and stakeholders: UCCPPP, ministries, etc.
- Define the infrastructure areas of interest to AmCham members (road infrastructure, ICT, health, energy, etc.)
- Perform a financing gap analysis for infrastructure

Bogdan Ion

Country Managing Partner, EY Romania and Chair of the Infrastructure and PPP Committee

"Infrastructure and PPP are key aspects for Romania's regional competitiveness and sustainable evolution. These are strategic areas that need to be addressed through a better cooperation between the private and public sector on a transparent and equitable basis, while ensuring the proper financing mechanism."



Labor Market and Education Committee

The Committee elaborated in partnership with education stakeholders recommendations to the draft Education Law, advocating for a relevant involvement of the private sector into the education process to ensure graduates' employment readiness at graduation.

The Labor Market and Education Committee's main objectives are:

- To ensure a labor legislation matching the social and economic dynamics, responsive to employees' and employers' needs and expectations, fully compliant with EU regulations and guaranteeing balanced relationships between employees and employers;
- Increase graduates' employment readiness and relevance at graduation through curricula up-dates, internships and private sector's participation to formation programs, through delivery of courses by industry experts, visiting professors etc.

Hans Dewaele

General Manager Procter&Gamble Marketing Romania and Chair of the Labor Market and Education Committee

"The Committee, through a dedicated Labor legislation task force, elaborated and submitted to the Ministry of Labor a set of over 200 amendments to the labor legislation, promoting a modern and more flexible labor legislation for increasing Romania's economic competitiveness and attractiveness, and for a healthy business environment."



Structural Funds Committee

The Structural Funds Committee promotes an improved absorption of the EU funds.

The Committee's priorities are:

- Improve absorption for the current programming period, especially by promoting the Jessica mechanism;
- Input Romania's 2014 - 2020 strategy to allocate and absorb EU funding;
- Maintain open dialogue with responsible institutions such as ANRMAR to promote improvements to the public procurement legislation.



Taxation Committee

Tax Committee's initiatives are subsequent to achieving transparency and predictability of the fiscal legislation, modernization of the Fiscal Code, and Modernization of the tax authorities and improvement of the tax collection.

The Tax Committee, in partnership with other business associations, elaborates annually recommended amendments to the Fiscal Code, Fiscal Procedures Code and the Application Norms.

Daniela Nemoianu

Executive Partner KPMG Romania and Chair of the Structural Funds Committee and Taxation Committee

"AmCham keeps a close contact with ANRMAR, organizing meetings and events with representatives of the two authorities and providing feedback on pieces of legislation and procedures where the business community sees room for improvement."

"The Taxation Committee advocates for important fiscal improvements, such as clarifying the fiscal and accounting treatment for portfolios of receivables, the introduction of the holding legislation and fiscal consolidation and for the unification of the social contributions related legislation in the Fiscal Code."

Position Papers

During the past 20 years, AmCham has engaged in a continuous effort to support economic growth and the construction of a stronger business environment. The dialogue between public and private actors is crucial to this endeavor. AmCham has constantly driven this dialogue through its advocacy activity, through the intense involvement of its committees and task-forces, and numerous meetings and events that stimulated over the years a constant and valuable interaction between state authorities and private actors.

Transparency and the rule of law, ongoing, structured and open dialogue with all stakeholders, placing Romania's best interests above political stakes have been repeatedly conveyed to the authorities through position papers, letters and meetings with officials.

Through position papers the recommendations and solutions identified by AmCham Romania members in the committees are submitted to the responsible authorities. Positions papers address either macro issues or technical aspects that AmCham Romania deal with in their day to day business operations.

Being part of the AmChams in Europe network, AmCham Romania has the opportunity to express its members' views at the level of EU decision-makers, in conjunction with other American Chambers or, most often, with the American Chamber of Commerce at the European Union.

Hundreds of position papers stand proof to this significant effort that AmCham has taken over the years. Here are some of the land-mark papers that built the public-private dialogue over the past five years:

2013

- AmCham Romania Position Paper on the Amendment of the Audiovisual Law
- AmCham Romania Observations to Draft PPP Law
- AmCham Romania Priorities for a Modern Fiscal Law
- Position Paper on Ordinance No 31/27.08.2013 regarding the introduction of tax on inert and non-hazardous waste disposal
- AmCham Romania and FIC Recommendations Regarding Several Fiscal Measures Sept 2013

2012

- "Priorities for Romania 2012"
- ICT Position Paper 2012
- Suggestions to Competition Council's 2012 – 2015 Reform Action Plan
- Proposed Amendments to the Draft Unfair Competition Law
- Position Letter on the State - Aid Schemes to Support Investments Promoting Regional Development
- Point of View on the State-aid Scheme Supporting Investments that Promote Regional Development by Using New Technologies and Creating Jobs
- Letter to Prime Minister Victor Ponta: Means to Increase EU Funds Absorption through JESSICA Mechanism
- Proposals Amending the Fiscal Code Regulations
- Position Document on the Clawback Contribution
- Proposals for the Amendment of Law no. 53/2003 of the Labor Code
- Suggestions for the Amendment of Law 62/2011 on Social Dialogue
- Proposals to the EO Amending the Fiscal Code and Proposals on the Fiscal Code
- Proposed Principles for the new Health Law
- National Strategy for Health Technology Assessment

2011

- Romania Competitiveness Report
- AmCham Position Paper Clawback Tax Project
- AmCham Position Paper on Healthcare Related Legislative Projects

2010

- Proposed Amendments to the Social Dialogue Code
- Proposed Labor Code Amendments
- Feedback Competition Law Amendments, Competition Council
- Work Smarter to Achieve a Sustainable Future and a Competitive Economy
- AmCham Romania Position Paper on the Public Private Partnership Legislation
- Proposed Amendments to the Fiscal Code Norms
- AmCham Romania Code of corporate Governance
- Observations to the National Action Plan for Renewable Energy Sources
- Energy and Environment Position Paper
- Feedback to the Education Law Project
- AmCham Position Document on Public-Private-Partnerships (PPP)
- Feedback to the Pensions' Law Project
- AmCham's Position Document on OUG 104/2009
- Position on Ministry of Health Legislative Project to Amend Law 95/2009

2009

- "Priorities for Romania 2009"
- Labor Code Amendments
- ANRMAP - AmCham Position Document
- The EU's Third Energy Package Energy & Environment
- Measures to support the business environment
- AmCham position regarding the CAS increase
- AmCham Position Document on Structural Funds
- AmCham's Response to the Presidential Commission's Report: "A healthcare system focused on the patient's needs"
- AmCham's Response to the National Education Strategy

Meetings with High Government Officials

Another level of AmCham's advocacy work involves meetings with High Government Officials. Such meetings are requested by AmCham Romania so that its representatives may share the AmCham content, as well as receive first-hand input on key issues on the Chamber's agenda.

Along the years, AmCham has had the honor to welcome Romanian Presidents, Prime-Ministers, Chiefs of International Financial Organizations, Ministers, heads of various government bodies as guests at its events for members.

Partnerships with Other Business Associations

Many AmCham initiatives, especially advocacy ones may concur with the agenda of peer business organizations. Therefore, in order to increase the scope and impact of members' work, AmCham engages in partnerships with relevant business associations.

Traditional AmCham partners include the Foreign Investors Council, Romanian Business Leaders and the British-Romanian Chamber of Commerce, while the topics that gather joint interest are mostly related to the fiscal and labor legislations, where views converge irrespectively of the investors' country of origin.

Networking

Helping members expand their business network remains a constant goal for AmCham and leading expectations on members' side. AmCham Romania both creates dedicated contexts to facilitate business networking between members of the organization, as well as across the business community and also designs its various events and meetings in a manner that supports members' objective of reaching out for new business opportunities.

Business Events

One of the most important roles that AmCham has undertaken is fostering a dynamic communication platform within the Romanian business environment. For 20 years, AmCham has succeeded in being a catalyst for the continuous and constructive dialogue among public and private actors. The Chamber has accelerated the exchange of ideas, best-practice and business trends, by facilitating a direct interaction between local companies, state authorities, investors, NGOs and media.

AmCham organizes and supports over 60 events each year. From professional conferences, to business roundtables and informal networking gatherings, the range of events covers a wide diversity of topics and participating organizations.

Furthermore, AmCham has established the Learning and Innovation Center, a sharing and learning platform that offers member companies the opportunity to participate in a large number of technical and soft skills sessions delivered by local professionals and specialists, also provided by AmCham members.

Special AmCham Events

AmCham Romania takes pride in being a lively organization, always in search of new ways to better serve its membership and the business community at large. Over time, new type of events and initiatives enriched AmCham's agenda, some of which become a longstanding tradition, some just unique occasions in AmCham's history!

AmCham offered its members access to premium business events, such as the Living Leadership Conference in 2004 - a world-class event that the Chamber has brought in Romania for the first time. Other special events include: the 9/11 Commemoration event organized in 2002 in cooperation with the U.S. Embassy, the Romanian Economic Forum, organized in 2009, in collaboration with peer organizations), or AmCham's 15 years anniversary gala.

20 years of advocacy and excellence in Romania

Sponsorship Opportunities

AmCham Romania self-sustains its activity from membership dues and sponsorships from members. AmCham invites its members to directly support the Chamber's programs and events through a variety of sponsorship opportunities built around each event or action. Members seeking exposure within the business community can thus tailor their marketing actions around a large palette of options, which bring unique visibility and networking advantages.

CSR Awards – People for People Gala

AmCham has taken a leading role in driving the local CSR culture. AmCham Romania enlarged the scope of its mission to offer its members a broader perspective on how to make a difference beyond their business agendas. AmCham Romania has become a renowned promoter of corporate social responsibility and community involvement. As such, AmCham Romania is one of few business organizations to open up membership to NGO's.

AmCham momentums in promoting CSR include:

- ▶ The first edition of what became a yearly conference on Corporate Social Responsibility, in partnership with Association for Community Relations (ARC);
- ▶ The launch of the People for People contest and Awards Gala in 2003, in partnership with ARC;
- ▶ Partnership with ARC and FDSC to start the 2gether we're stronger campaign.

The Chamber's cornerstone program in this area is People for People Gala, a joint initiative of AmCham and the Association for Community Relations during the past 10 years. This is one of the first programs in Romania which acknowledges initiatives that bring a major change in the community and demonstrate the potential to inspire other similar actions and to change mentalities.

At the Gala's first edition in 2003, companies, NGOs and media came together for the first time to share their social responsibility actions and to celebrate their involvement in the community's life – a whole new concept at that time.

AmCham Members in the Spotlight

DENTONS

Dentons

► Company's start on the Romanian market:

Dentons developed as a new brand in March 2013, but the firm first stepped foot in Romania in 1997.

► Tipping point in business:

The firm counts in its portfolio one of the landmark transactions on the Romanian market: advising Rompetrol on the selling of 75% equity shares to KazMunaiGas of Kazakhstan, at an assessed enterprise value of \$US3.6 billion. The firm also assisted the first-ever listing of a Romanian company on the London Stock Exchange, while its visionary approach was once again proved by involvement with the sale of a major wind farm project to Czech energy giant CEZ, at a time when green energy was just in its infancy in Romania. That project is still the largest on-shore in Europe, with a total capacity of 600 MW.

► The business today:

Dentons is one of the top law firms in Romania, with a team of 30 talented lawyers, including 7 partners. The team uses a unique approach to set itself apart from other legal advisory firms and it is the combination of local and international expertise, along with the personal attention provided by lawyers, which places the firm in a league of their own. One of the main objectives in the medium term is to raise the awareness of the new brand and continue to be a leader in the legal business. Dentons is constantly selected by prestigious directories such as Legal500, Chambers & Partners and IFLR1000 for top practices and practitioners in Romania.

► Outstanding people:

Anda Todor, Dentons' Bucharest office Managing Partner, was the first Romanian lawyer of the firm, joining in 1997, and also the first Romanian to be elected as partner in an international firm, in 2005.

Anda is one of the most respected and distinguished lawyers on the Romanian market; she has coordinated groundbreaking local and cross-border transactions over the years, while being also a leading voice of the business community. Anda has coordinated pioneering transactions on the Romanian market, such as the very first listing of a Romanian company on the London Stock Exchange and the selling of the largest on-shore wind project in Europe, located in south-east Romania.

► Contribution to Romania:

Being among the very first international firms to come to Romania in mid-90's, its role was from the beginning beyond providing technical legal advice. Times were quite challenging in 1997, and the presence of a big international law firm on the Romanian market enhanced investors' confidence that their long-term business plans would work. Also, from educational and cultural programs to social campaigns for people in need, the firm regularly gets involved in supporting CSR initiatives aimed at helping many sectors of society.

► AmCham membership going forward:

In its over 20 years of existence, AmCham has proven its leadership capabilities by initiating projects and putting them forward on the public's agenda as well as on the table of the government authorities. Dentons has been involved in many of those projects, in particular those aimed at promoting a more rational and transparent business climate, thus helping Romania become more interesting for foreign investment. Its lawyers are active members in all of AmCham's committees and participate actively in initiatives designed to improve the legal framework, as well as to improve communication between private entities and public authorities.

The People for People Gala organized each year, is aimed at three important objectives:

- ▶ To promote efficient and innovative projects as best-practice examples that can "contaminate" other companies, NGOs, and initiatives.
- ▶ To provide reference metrics for measuring the impact and visibility of social responsibility projects.
- ▶ To celebrate those special people who change the world through their actions.

Thanksgiving Dinner and American Independence Day Celebration

Each year, AmCham Romania celebrates America's Independence Day in a party that host over 1,000 guests from among member companies, partner organizations and AmCham supporters. Similarly, in the Fall AmCham organizes a special Thanksgiving Dinner Party. Both events represent perfect occasions to network and have fun together with family members and business partners. Over the years, the celebration of these two landmark American holidays became a tradition for AmCham and its members, positioning the Chamber as an active promoter of the American culture in Romania.

Communication

AmCham Weekly Update

The electronic newsletter collects the weekly agenda of AmCham events and committee meetings, as well as information shared by members and latest developments in AmCham activity. The update is distributed weekly and is preferred over sending individual communication related to each issue.

Our Website: www.amcham.ro

AmCham is online since 1997 and www.amcham.ro is focused on reflecting AmCham's activity and agenda in a timely, simple, elegant and friendly format. The homepage also accommodates information regarding membership, updates from member companies, other relevant events or initiatives and photos from AmCham events. A mobile version of the webpage is available beginning with 2013 to ensure faster and friendlier access to AmCham's agenda for interested AmCham followers. Keeping up with the communication trends, an AmCham Facebook page is also online to promote AmCham activities.

AmCham Membership Directory

AmCham's Membership Directory is a now electronic publication highlighting the members' activity to potential partners and clients, and a useful commercial guide that is extensively shared with the business community at large.

AmCham Romania publishes the Membership Directory in order to provide more complex and detailed information about member companies. All AmCham members can share important aspects about their company, its actual business activity, and contact information.

External Communication

AmCham Romania will often bring important issues on its agenda in the public arena through press releases and press conferences, or by opening its events to the media. As a rule, AmCham Romania does not release to the media content that has not been first shared with the relevant stakeholders. AmCham Romania does not purchase advertising space, and its public reputation has been built on the quality and relevance of its content, as well as on the strength of its membership community.

Making Romania a Better Home for Business

AmCham's Economic Vision for Romania

The members of the AmCham Romania share the aspiration of doing business in a competitive economic environment. While most AmCham members represent important corporations that have large global footprints and significant social and economic impact across the world, AmCham continuously stresses that the key to fueling economic growth in Romania is to ensure a favorable business environment for all actors, including entrepreneurs and SMEs.

AmCham has continuously advocated over the past 20 years for better policies in the areas of taxation, labor market, infrastructure and energy, constantly militating for a favorable, stable and transparent business climate. These are key factors in creating and supporting a healthy local business climate, creating value in terms of innovation, performance, and new jobs.

A Strengthened Role of Romania within the EU

Romania is still in the process of integrating its legislative and institutional system with that of the European Union. Important progress has been made in the pre-accession period and over the past six years since it has joined the Union. AmCham was strongly involved in this process through its special EU accession working groups, which supported Romanian authorities in clearing the necessary red flags. Going forward, Romania can strengthen its role in sectors like agriculture and energy, where it emerges as an important regional actor.

The Current Programming period is the first complete European budgetary exercise in which Romania participates as a fully-fledged Member State of the European Union since its accession in 2007. The major ambition assumed at national level was to spur the integration process with the European Union while accelerating the catching-up process in economic terms. Although difficulties faced in a number of sectors are serious enough to prompt vigorous efforts to correct, lessons learnt should be incorporated in development strategies and instruments to be used for the next Budgetary Exercise 2014-2020.

Romania needs to prepare sound arguments to support its case during negotiations at EU level. The current track-record in the implementation of EU Structural funds as well as general performance in public policy areas which have a significant EU component (such as those covered by the Cooperation and Verification Mechanism and Schengen Accession) proves that negotiation capacity at EU level is a significant factor for success.

Taking also into account the global and European economic climate, with the significant impact of the economic crisis, the negotiation environment is characterized by various tensions which will impact the positions of partners, their negotiation stance, as well as flexibility. However, without having solid preparatory work provided by national institutions and actors, negotiation at EU level may prove a rather difficult exercise. A second example in this sense may be the negotiations on the European budget and the European Structural Instruments for the next Programming Period 2014 - 2020.

Increased Economic Competitiveness on the Global Scene

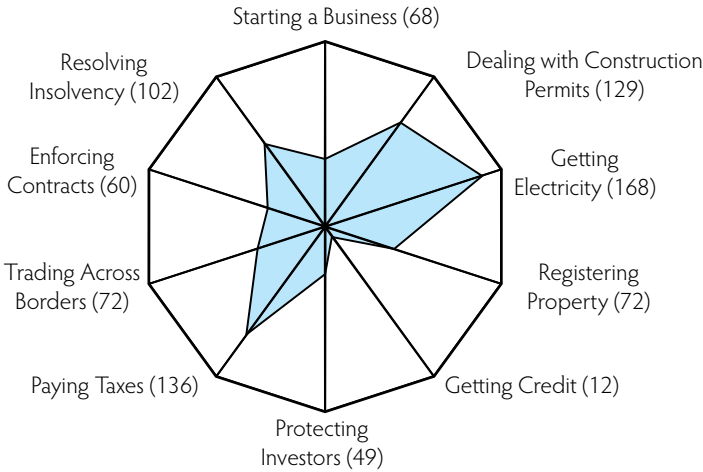
For the past 20 years, AmCham has been focusing on what could make businesses in Romania more competitive with the belief that supporting their success will lead to higher GDP per capita, higher profit margins and higher standards of living for the citizens. A more competitive economy would improve Romania's profile on the world economic scene. Romania's future is not solely linked to the economic performance of the large multinational companies present here, but by the success of entrepreneurs and SMEs able to compete locally and internationally, and to generate a solid middle class equipped to absorb the inherent effects of the cycles of growth and recession that capitalism lives by.

Where Romania Ranks in Competitiveness	Rank
World Economic's Forum The Global Competitiveness Report 2012-2013 (www.weforum.org)	78
IMD World CompetitivenessScoreboard (imd.ch/wcc)	50
Doing Business 2013, World Bank (www.worldbank.org)	72
Legatum Prosperity Index (2012) (www.prosperity.com)	60

According to the World Bank Doing Business rankings of 185 countries that were published for 2013, Romania ranks slightly above the average of Eastern Europe & Central Asia, but lags behind many other EU member states. Here is how Romania ranks on doing business aspects in its global competition with the countries analyzed by the World Bank:

Regarding the government policy impact on competitiveness, the AmCham Competitiveness Report concludes that Romania has 25 advantages, 49 disadvantages and 22 neutral indicators, against the European Union average. This outcome suggests that the country may have to leverage some of its advantages (or lower its performance in some of its advantages) to improve its performance across the board.

To improve upon the overall competitiveness performance, Romania has to craft policies which adequately address fiscal regulations, labor market deficiencies and transparency in decision-making, thus fostering a favorable, stable and transparent business climate. Through its policy recommendations, AmCham Romania also stresses the need for adopting and implementing national medium to long term strategies that would draw a clear road map for Romania's future developments.



Source: Doing Business database.

AmCham Members in the Spotlight



KPMG

Company's start on the Romanian market:

KPMG opened its first office in Bucharest in 1994 and a second in Timisoara in 1999.

Tipping point in business:

KPMG first started in Romania in 1994 with 10 employees and an office in central Bucharest. It was one of the first networks of professional services firms to align its services along industry lines and focuses on delivering high-quality, coordinated services to organizations. Since then, the company has grown to become one of the leading firms in the country, with a state-of-the-art headquarters and over 700 employees who support and strengthen their clients' businesses. In the past few years the company also opened offices in Cluj, Iasi, Constanta and Chisinau.

The business today:

KPMG in Romania offers Audit, Tax and Advisory services to a large range of organisations from the private and public sectors. We assist firms and organisations in meeting their compliance requirements and help them, for example, to develop, restructure and access financing, adding value to our clients' business. We have specialised staff with many different skills and backgrounds, and we are flexible – we adapt our services and develop new ones to meet the needs of clients as market conditions change.

Outstanding people:

Serban Toader is Senior Partner of KPMG in Romania and Moldova. He is a member of the Board of KPMG within Central and Eastern Europe and a Board Member of the Foreign Investors Council. Mr. Toader has obtained various prestigious academic qualifications, including an Executive MBA from the Ecole Nationale des Ponts

et Chaussees, Paris as well as qualifications from the University of Edinburgh School of Management, London Business School and Harvard Business School.

Contribution to Romania:

In Romania, KPMG was closely involved in the reform of accounting in the country in the mid 1990s.

The company's employees have coordinated numerous PHARE programs and have dealt with the implementation and management of several projects financed by International Funding Agencies in Romania. Everyone at KPMG has the opportunity to realize both professional and personal benefits by participating in corporate social responsibility activities. To achieve this, KPMG has partnered with numerous International Development Agencies and Non-Governmental Organizations to pioneer a model of professional cooperation.

AmCham membership going forward:

KPMG's position as an AmCham Member will allow the company to further develop the initiatives already started, to share its employees professional background and competencies and to better serve the membership and the interests of the business community. Being a member of AmCham is a way to contribute to solving business and social issues arising in the local market, to improve the business climate and to encourage government action in support of businesses.

AmCham Romania's General Recommendations

for Increased Economic Competitiveness - an Excerpt from Romania Country Competitiveness Report, December 2011

General Policy Competitiveness

- ▶ Stimulate R&D and innovation throughout the country by:
 1. Stimulating the establishment of industrial clusters and technology transfer infrastructure to encourage development and commercialization of new patents.
 2. Create an action plan to set up a technological hub in Southeast Europe with an outstanding commercial research center.
 3. Define breakthrough projects to enable knowledge transfer to Romania by bringing in global expertise (e.g. ELI Magurele project).
- ▶ Increase accountability by strengthening transparency of the public administration and fighting corruption.
- ▶ Stimulate investments in key export industries and create incentive packages for local and foreign investors based on new technology implemented, number of jobs created, and high value added export capacity created.
- ▶ Define a strategic framework for energy investment and enforce a predictable and stable regulatory environment aimed at supporting economic competitiveness. Promote green energies in Romania's energy mix.
- ▶ Use EU funding to develop physical infrastructure, doubled with private public partnerships, and strengthen the competitiveness of Romanian companies on the local and foreign markets. The improvement of EU funds absorption should remain a top priority of the Government. Quarterly targets for EU funds absorption rate which should be very closely monitored and a corrective mechanism should be put in place.
- ▶ Empower National Competitiveness Council (CoNaCo) to harmonize, implement and promote integrated policies aimed at increasing the competitiveness of Romania. The policies should be adopted by the Government and Parliament and monitored on a permanent basis, as part of an aligned national strategy.

Legal framework

- ▶ Improve enforcement and oversight of the existing legal framework, including reform of the judiciary to include more training for judges and court officers, and reduce the time required to resolve cases.
- ▶ As investors seek predictability and stability in legislative and regulatory processes, the Government should commit to enforce the existing norms related to regulatory impact assessment. This involves soliciting meaningful public consultation with stakeholders in the formulation of regulations, increasing the transparency of the legislative process, and publishing the regulations in their consolidated/updated form.
- ▶ Enforce impact assessment for new regulations and policies to account for their effects on sustainable growth and the stability of the business environment.
- ▶ Prioritize and accelerate cadastral works to all counties, including appropriate budgetary allocations, to realize the benefits of the new Civil Code for real estate transfers.
- ▶ Resolve inconsistencies in the PPP legislation and increase Romania's institutional capacity to carry out investment projects by using PPP framework and financial engineering instruments.

Public Administration

- ▶ Increase transparency and accountability of the public administration and use of national public funds. Publish the costs of public investments (including the bid prices and final costs), the cost/benefit analysis of each investment and implement the OECD corporate governance principles for state owned enterprises (SOEs), either as a code of conduct, or as a law.

- ▶ Increase implementation of Internet based "e-services" by the administration to spur efficiency, reduce costs, and improve the quality of public interaction with government services.
- ▶ Increase the quality and accountability of public service, and build administrative capacity at both central and local level by introducing career path development, defining seniority levels, performance objectives and annual evaluations against the objectives linked to remuneration.
- ▶ Modernise efficiently public procurement to differentiate between commodities and value-added products and services. Use experienced specialised technical consultancy and perform lifecycle cost analysis and cost-quality analyses where appropriate as part of the public procurement process.

Physical Infrastructure

- ▶ Develop a comprehensive and coordinated plan to improve Romanian infrastructure towards EU standards of quality and coverage. Ensure a consistent master plan's implementation against a timetable and enforce the existing multiannual budgeting legislation to ring fence sustainable selective major projects and integrate them with regional business and tourism development initiatives.
- ▶ Develop a clear energy strategy, invest in intelligent utility network infrastructure coordinated with the focus on increased renewable energy generation.
- ▶ Continue development of the nationwide broadband communications infrastructure.
- ▶ Ensure coherent development of e-Government, based on common standards accessible by all local and central government structures.
- ▶ Focus on attracting the available EU funds for transport infrastructure by ensuring successive selection of bankable projects, co-financing sources from the state budget, as well as on developing a well-structured public private partnership (e.g. for the construction and operation of a highway section).

Human Resources

- ▶ Elaborate and enforce a coherent policy framework to support Romania's standard of living and population growth in the context of the country's aging population and its impact on real economy and financial sustainability.
- ▶ Offer incentives to keep the highly skilled specialists in the country and reverse the brain drain, building on the positive experience of the IT sector.
- ▶ Improve the quality of the labor market by: 1. Increasing the level of education of the active labor force (e.g. e-Learning, life-long learning) 2. Increasing the quality of the education system, including high school, vocational schools and higher education (Master and PhD degrees) to bridge the gap with market needs. 3. Strengthening connections between universities, research centers and companies by aligning curricula and research objectives to the needs of the private sector. 4. Enhancing young people's entry into the labor market through integrated action including guidance, counseling, internships, and apprenticeships. 5. Promoting greater involvement of experienced specialists, including retirees.

Fiscal & Monetary Policy

- ▶ Improve the structure and efficiency of government expenditures. Budgetary policy should prioritise long term, growth-enhancing items, mainly in the areas of education and healthcare, R&D and innovation, as well as investment in networks, including high-speed Internet, energy and transport interconnections, these also being the key areas of the „Europe 2020” strategy. Prioritize public investment expenditures based on a cost/benefit analysis and ensure multi-annual budgeting.
- ▶ Deep reform of the tax administration, modernise and simplify tax collection, reduce tax evasion and reduce the taxpayer compliance burden.
- ▶ Stimulate lending in local currency and the development of a local currency debt market. Prompt long-term saving behavior of population through encouraging the participation to private pension funds, to private healthcare insurance plans, stimulating the activity of the saving - lending banks (bausparkasse).
- ▶ Recognize and develop the capital markets as an important alternative source of capital, for both private and public borrowers. The development of strong and liquid local capital markets will provide much needed funding for private and public investment and will reduce the dependence of the economy on banking financing.

Preferred Destination for Investments

As the largest market in South Eastern Europe, member of the European Union and NATO, Romania is one of the most attractive destinations for investments in the region. A promising GDP growth rate in comparison to other EU member states, a stable macroeconomic environment, and significant progress in key areas, such as renewables and agriculture, attract the attention of investors worldwide. However, there are certain barriers that hamper the appetite for investment, most importantly related to infrastructure, fiscal climate, bureaucracy and labor costs.

AmCham has constantly promoted actions to calibrate the local legislative framework that would create a friendly business environment for investors. Since its beginning in 1993, AmCham has supported public authorities and regulators to adapt local policies to the highly competitive global market, while building on Romania's competitive advantages. The Chamber envisions for Romania a favorable and stable business climate, facilitated by a strategic policy mix which insures the availability of the local talent pool at competitive costs, a tax system which stimulates capital inflows and job creation, reduced bureaucracy and the appropriate infrastructure to tap the country's strategic resources.

Moreover, AmCham has made it a priority to promote Romania as a destination for U.S. investments, making the business case for Romania in the U.S. through dedicated events and road shows, such as: AmCham Romania delegation to Washington in 2002, AmCham Romania delegation to Washington in 2004, the Ambassadorial Road show to the U.S. in 2008.

More importantly, AmCham is a business association that successfully represents Romanian companies, including entrepreneurs and SMEs, which have constantly increased their share in the Chamber's membership during the recent years. Through their interaction with Romanian member companies, new investors boost the process of adapting to the local business practices and mentality.

AmCham Members in the Spotlight

MUȘAT & ASOCIAȚII
Attorneys at Law

Mușat & Asociații

► Company's start on the Romanian market:

Mușat & Asociații was one of the first law firms in Romania, founded in 1990.

► Tipping point in business:

The beginning of the privatizations era launched by the Romanian Government in 1995 provided the opportunity for Mușat & Asociații to enlarge its portfolio of foreign clients, which represents over 80% of the Firm's client base. The company has gradually expanded its legal services, to become a full service law firm, which covers all legal aspects for clients, providing integrated legal assistance and assembling highly specialized teams for large projects.

► The business today:

Presently, the firm has 16 partners and over 100 dedicated attorneys, and a portfolio of over 2,500 high-profile clients. This includes leading national and international companies, as well as governmental authorities and agencies, financial institutions and investment funds. The firm has been at the forefront of the country's legal and business development, as a genuine pioneer in the field, providing groundbreaking work, and launching new areas of practice. It has also constantly been involved in the biggest transactions of the local market.

► Outstanding people:

Aged 37, Mona Mușat is the Managing Partner of Mușat & Asociații and began working at the firm while still a law student. She started to walk the talk in the business law and rapidly became one of the most respected lawyers. In the last year alone, under Ms. Mușat's

coordination, the portfolio of new clients in the banking and finance area increased by more than 15%. Her professional achievements are constantly recognized by the prestigious legal publishers, which nominate her among the leading lawyers in her areas of expertise.

► Contribution to Romania:

Mușat & Asociații launched new areas of practice, which have had an essential contribution to the development of the legal profession in Romania. The firm acted for the first foreign investors in Romania, its role being crucial in the consolidation and increase of investments in Romania. Mușat & Asociații also has a longstanding experience in assisting pro-bono projects and currently represents two of the best known international NGOs – Save the Children Organization and SOS Children's Villages - in relation to various legal aspects deriving from their activity.

► AmCham membership going forward:

Mușat & Asociații intends to maintain this partnership with AmCham by actively participating in legislative debates and stating their position regarding any project proposal that AmCham may put forth. The firm will also continue to share their know-how as partners in the organization of events or by attending conferences. The firm is interested in developing its partnership with AmCham and contributing professional input in technical seminars and Committees specialized in Energy & Natural Resources, Taxation, Labour, Banking & Finance, Capital Markets & Securities, Dispute Resolution, Intellectual Property, Mergers & Acquisitions, and Restructuring & Insolvency.

Priority Investments Sectors

AmCham is constantly monitoring the key industries in the Romanian economy that have the potential to place Romania in a leading regional and global position. Such industries are high on AmCham's Committees agenda and gather the interests of many of the Chamber's members. Once the new Parliament and Government was enforced after the election in 2012, AmCham presented the "Priorities for Romania", which highlights Romania's priority investment sectors and valuable recommendations from the business community for the new Government to consider.

Romania as a Regional IT Hub

Not only is Information Technology an important tool for growing business performance, with these results proven in many countries that have strategies for skills development and technology adoption, but the Digital Economy is also already upon us. For some organizations, this will unlock significant competitive advantages, whilst for others, dealing with the new paradigm will be a major challenge.

Romania is already recognized for its IT talent pool and incentives for IT&C companies investing in Romania. In the current context, where businesses and governments alike are looking to stimulate innovation, Romania can build on its competitive advantages in order to shift from the present support services profile to a competitive exporter of knowledge-based, high-value added services.

On the other hand, when looking at overall internal market, it is clear that organizations should incorporate an understanding of the digital economy into their strategic thinking to help identify new market opportunities, formulate new ways of doing business, and compete with an ever-growing number of innovative rivals. Investing now in the right instruments to ensure national-scale awareness and utilization of IT among SMEs ensures a leapfrog scenario for tomorrow, for domestic performance and for the global competitiveness of the Romanian economy.

AmCham proposed three strategic directions that can strengthen the local IT&C industry and that can stimulate growth in all economic sectors:

- Developing a series of national initiatives that require collaborative efforts between the government, businesses and communities. These initiatives are aimed at increasing awareness of digital economy opportunities, developing skills, ensuring creation and access of state-aid schemes and EU Funds to change this current status quo, where SMEs are slow to use technology and to innovate.

- Providing opportunities for greater public participation (business and communities) in the development of policy and service delivery. In a "networked" government, with clear service orientation towards the business environment, a clear vision of how institutions will work better together needs to be implemented, independent from any political changes and turbulence.
- Promoting the current success stories in Romania – from educational framework to the investments in technical support, outsourcing, and R&D centers in the IT&C industry – can be a source of best practices and know-how, not only for the local IT&C SMEs but for SMEs in other sectors as well.

Romania as Europe's Garden

The increases in global food demand and food prices have turned the investors' eyes towards agriculture, not only in Europe, but everywhere in the world. This is a great opportunity for Romania to focus on harnessing its agricultural potential and becoming a leading market for agribusiness and bio food.

Romania holds 8% of European crop land, higher than Italy and close to Germany and Poland. More importantly, the country's black top soil covering 60% of the land is very fertile and produces high yielding crops. Romania's diversity in farming climatic zones allow the production of a wide range of crops, while investment in farming technology can significantly impact production, as local companies are still poorly equipped. Romania's position with export routes via the Black Sea and major trade links with Europe and Asia add to all these advantages¹.

At the moment, agriculture is one of the most important sectors in the Romanian economy, contributing 7% to 10% of GDP. However, this is well below its potential contribution, making it one of the highest-priority sectors for investments in the years to come.

Romania as a Regional Energy Hub

The regional and global energy industry is caught up in a race for discovering and securing diversified sources of energy that can bring higher predictability in energy prices and the valuable geopolitical independence from import energy that every country pursues.

However, both the internal and regional energy markets are facing increasing legislative frictions, with national and European policies under constant scrutiny. Romania's renewables support scheme – one of the most attractive in the world – has positioned the country as a potential powerful electricity exporter in the region. Despite this, recent Government intentions to down-size the scheme is eroding this potential, freezing many investment projects in the renewable energy sector.

AmCham's Priorities for Romania report outlines clear recommendations for ensuring the continued development of the energy sector in Romania:

- Institutional reform and reinforcement in terms of status, authority, resources, competence, calibration of new functions for coping with the challenges of the coming years and representation to EU institutions;
- Market reforms to eliminate distortions, promote fairness in energy pricing and integrate within the internal EU energy market;
- Assessment of financial resources available for funding development of the Romanian energy sector;
- Continuous promotion of energy efficiency efforts in the country.

Romania as a Prominent Touristic Destination

Tourism is often mentioned as one of the opportunities Romania missed when talking about existing and untapped potential. While Romania has a huge tourism potential, and great opportunity to turn it into a success, the statistics reveal a worrisome reality. AmCham Romania highly recommends the implementation of the National Tourism Development Master Plan 2007 – 2026, a comprehensive and reality-reflecting document put together by a team of the World Tourism and Travel Organization and the Romanian authorities. The document clearly identifies the weaknesses in the Romanian tourism industry, as well as its assets, and provides strategic directions as to how the sector can be restructured, resourced and regenerated in order to compete effectively in the global marketplace.

In conjunction with the implementation of the National Tourism Development Master Plan, AmCham Romania sees as a priority the need to raise the profile of tourism among Government bodies through a stable team of professionals designing and implementing tourism policies and projects, endowed with the necessary authority to carry out such duties, as well as the need to raise the profile of tourism among stakeholders, from citizens, to local authorities and government members. National awareness campaigns such as "pack-it-in pack-it-out" to reduce littering, enforcement of the legislation sanctioning pollution, enforcement of the legislation governing the quality of the tourism services, as well as campaigns to professionalize tourism personnel are just some of the priorities in the tourism sector.

Putting Romania on the regional and international touristic map will ultimately rely on massive investments in infrastructure that are needed to facilitate easy access to the large variety of tourism destinations throughout Romania. The good news in this respect is that Romania has a unique opportunity to absorb EU funds that can insure financing for such priority investments in the local touristic infrastructure.

Major Initiatives and Results

AmCham has constantly called for a long-term vision for Romania, playing a leading role in Romania's transformation and actively engaging for better positioning the country during important times for our country:

- In 1997, AmCham Romania sent a support letter to President Clinton advocating for Romania's early admission to NATO;
- AmCham Romania has been an active supporter of Romania's EU membership. During the pre-accession period, AmCham has set-up dedicated working groups for the preparation of Romania's EU accession. AmCham's contribution is acknowledged by Johnathan Scheele – EU Ambassador to Romania, in an address to AmCham members in 2004:



Johnathan Scheele
EU Ambassador to Romania

„Organizations such as AmCham have played an important part in Romania's transformation. AmCham's committees and task forces, including, I am glad to note, one on EU accession, have played an important role in developing and highlighting best practices and suggesting changes in legislation. This has helped to improve the business environment for companies from all countries and has played a major part in helping Romania to become an increasingly investment location.”

- AmCham has made it a priority to promote Romania as a destination for U.S. investments, making the business case for Romania in the U.S. through numerous events dedicated to American investors and high-level road shows in the United States.



Obie Moore
AmCham Romania President 2002-2004

“The year 2002 was a remarkable year of accomplishments for Romania and also most successful year for AmCham Romania since its inception in 1993. Our success in 2002 was clearly linked to Romania's unique political, economic and military progress (...). We were honored and gratified that AmCham's contributions to these historical achievements in 2002 were acknowledged by the Ministry of Foreign Affairs at its Annual Awards for Romanian Diplomacy. AmCham Romania was the only business association to receive a nomination for Best Contributor to the Image of Romania by Business”.

AmCham Members in the Spotlight



Abbott Romania

► Company's start on the Romanian market:

Abbott started commercializing its first products in Romania in 1997.

► Tipping point in business:

Several key milestones were crucial to the evolution of Abbott in Romania, contributing also to the expansion of its products and health solutions portfolio: the start operations of Abbott Vascular in 2006, of Abbott Medical Optics in 2009, both through distributors, and the acquisition of Solvay in 2009. The product offering had significantly increased and diversified, especially in the pharmaceutical area, including leading brands in several therapeutic areas.

► The business today:

In 2013 Abbott Romania separated in two different companies, reflecting a major strategic decision made at global level: AbbVie as a leading biopharmaceutical company and the new Abbott, containing multiple divisions. With a number of approx 170 employees and approx 50 million USD sales, the pharmaceutical business ranks as the 18th player in the prescription market (Cegedim data). The company currently goes through a re-invention process, aimed at pro-actively adapting the business model to the new global and local industry challenges and trends.

► Outstanding people:

The General Manager of the pharmaceutical business started his career in Abbott Romania as Finance Manager, then progressed to Finance Director role in Central Europe. During the next assignment in 2008 Adrian was named Commercial Director for Russia, India & China based in Singapore. He continued his career as commercial lead for the integration of Solvay in Abbott for Russia, India, China & CIS

countries and then as Director for the India Commercial Operations. Following the acquisition of Piramal Healthcare in India, at the end of 2011 Adrian was appointed General Manager for the Established Pharmaceutical Division in Romania.

► Contribution to Romania:

Abbott Romania is actively involved in CSR projects, especially with the objective to bring joy to children with limited material possibilities. Thus, the company is developing yearly activities for children in placement centers such as „Santa's Bag” in 2011, „Santa's Team” in 2012, „Easter Holiday” in 2012, „Offer for Easter” in 2013. Another CSR project is the sponsorship of the campaign against juvenile crime, in 2013.

► AmCham membership going forward:

With the healthcare sector as first priority Abbott Romania seeks to be relevant and visible member in this field, contributing to AmCham's initiatives and drive them in the direction that will add value to the industry and society at large. Abbott Romania is committed to be a long term player in the Romanian market and an active member of AmCham, supporting its activity in Romania and also considering using its patronage for significant corporate activities.

Business Ethics & Anti-Corruption

Besides the issues addressing the business climate in Romania, AmCham actively militated for a healthy business environment, by promoting ethics in doing business and an Anti-Corruption behavior among its members.

In 2006, AmCham Romania partnered with the World Economic Forum Partnering Against Corruption (PACI) to promote a no-bribery policy and zero-tolerance to corruption. Although AmCham cannot impose such regulations to its members, we were pleased to have signatory companies among AmCham members.

AmCham is happy to report that it was one of the first organizations in Romania to put forward a Corporate Governance Code, in 2010. Building up on this, in 2012, AmCham released the Anti-Corruption Guidelines that members are encouraged to observe in their day to day business operations.

In November 2012, AmCham Romania released the "Anti-Corruption Guidelines", a tool meant to contribute to the prevention of bribery and corruption, as well as to a more efficient approach towards corruption, to be embraced by companies in Romania. The Guidelines are based on international documents and best practices - adjusted in accordance with the legal framework and the business environment in Romania - and include key principles and recommendations, as well as a reference book and the instruments needed to apply these practices.

Romania Competitiveness Report

AmCham has placed Romania's Economic Competitiveness at the core of its messages to the Romanian Government. Along with other AmChams in the region, AmCham Romania has launched a Romanian Competitiveness Report in 2011. The Report contains an assessment of main policy areas impacting doing business in Romania as well as a set of recommendations based on the assessment, statistical analysis and perception survey among leading CEOs of large companies and SMEs in Romania. The report was drawn upon a methodology used by other AmChams in Europe in elaborating similar reports.

AmCham will continue this exercise to benchmark Romania against countries in the region, to emphasize sectors where Romania needs to catch -up with its neighbors and single out areas with highest potential for growth.



Partnerships and Institutional Relations

AmCham's achievements and valuable results would not have been possible without key-partnerships and relations that the Chamber has consolidated with various institutions and organizations. From peer business associations, to public institutions, embassies and NGOs, AmCham has continuously positioned as a link and aggregator among all these important institutional actors.

Traditionally, AmCham Romania has had a very close and fructuous collaboration with the US Embassy in Romania. Every American Ambassador that has been in office over the past 20 years has been an active supporter of AmCham programs and initiatives. Strategic partnerships and relations were also developed with all decision factors, from the Presidential Administration, to the Government and Parliament structures. Through its committees and task forces, AmCham has engaged over the years in an intense dialogue with specialists and working groups in ministries and legislative bodies.

Last but not least, the Chamber has bridged the business community and the civil society through partnerships with leading NGOs and charities.

Forging the Economic Impact

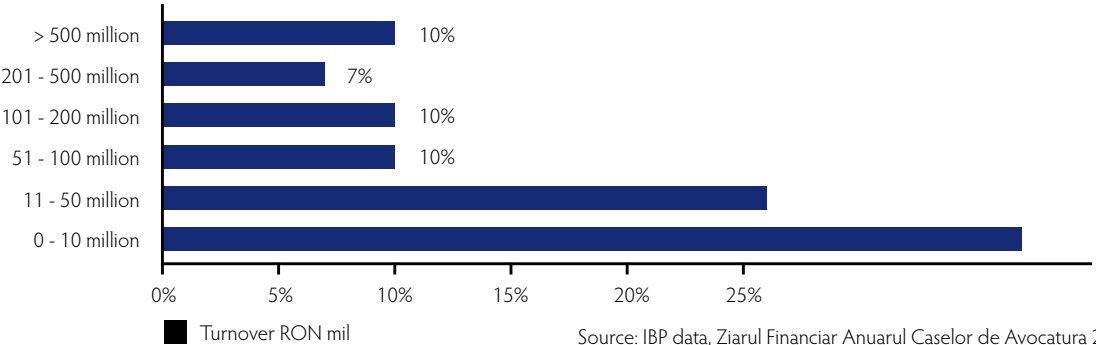
An analysis of AmCham Romania's cumulative impact on the Romanian economy

AmCham Romania's more than 350 members represent a significant part of the business community, with great impact in the Romanian economy, through investments, jobs creation, value added products and services, business leadership, fostering a competitiveness based economic environment, best practice transferring and know how sharing from the foreign based corporations to the Romanian business units and, also, through supporting corporate social responsibility.

- ▶ 18 companies from Top 100 Major Companies in Romania are members of AmCham.
- ▶ AmCham's members have a significant contribution to Romania's GDP- more than 11.2% in 2011.
- ▶ Member companies employed more than 200,000 staff in the year 2011. Nine AmCham members have more than 5,000 employees each; the average number of employees per member company is 524.
- ▶ According to data provided by members, the level of cumulated investment that AmCham members put into the Romanian economy surpasses USD 20 billion. Also, based on the survey results, investments made by AmCham Romania members during the last three years are estimated to have reached EUR 1.2 bn, which represents 24% of direct foreign investments in Romania between 2010- 2012.

Representing an important part of Romanian economy, AmCham's members have a significant contribution to GDP (more than 11.2% in 2011) and employed more than 200,000 staff in the year 2011. It should also be taken into account the employment multiplier effect that many of the AmCham member companies have in the Romanian economy, as many members are active in sectors such as automotive, technology, life sciences, FMCG, that are generally industries that generate significant vertical job creation.

Turnover distribution of AmCham members in 2011



Source: IBP data, Ziarul Financiar Anuarul Caselor de Avocatura 2013, Amadeus, ISI, EY analysis

18 companies
from Top 100

Major Companies in Romania are members
of AmCham

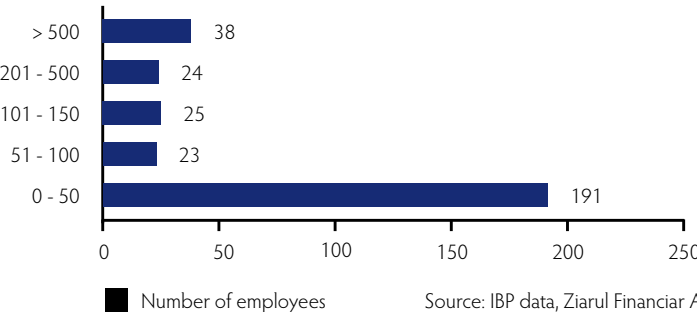


200,000 jobs created
by AmCham Romania
member companies

AmCham members' revenue
in 2011 represented:
11.2% Romania's GDP

Cumulated investments
of AmCham members in
Romania: USD 20 billion

Number of employees of AmCham members in 2011



According to the table below, AmCham members contributions from tax profits account for almost 8% to the State Budget revenues. Also AmCham members account for more than 6% of the the Social Security Budget revenues obtained from employer's contribution, while more than 6% of

the Healthcare Budget revenues obtained from employer's contribution originate from the AmCham members. (The figures in the table below are relative to the fiscal year 2011.)

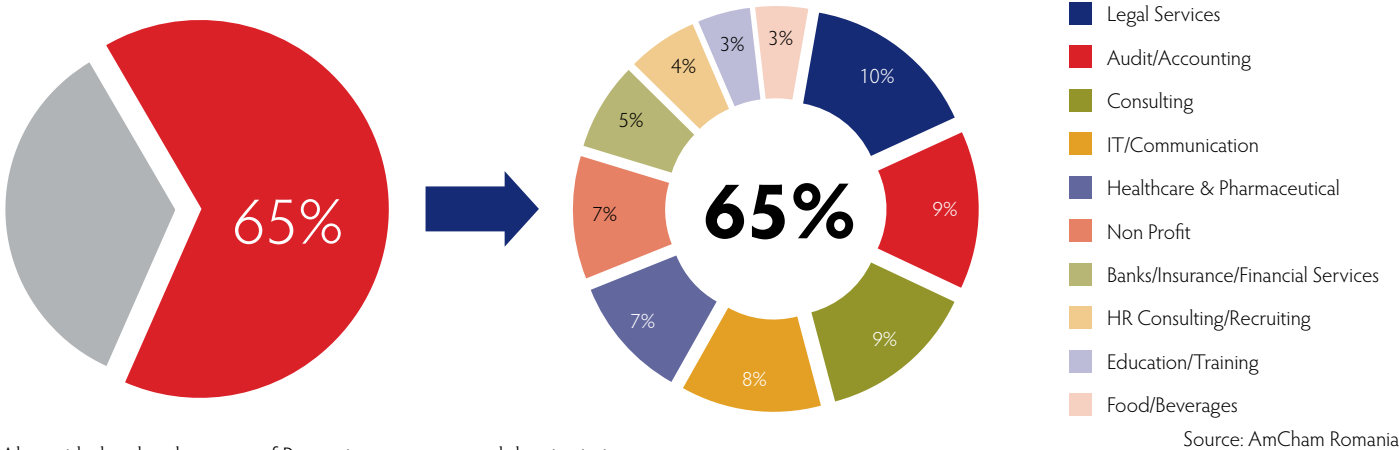
AmCham members contribution to Romania's State Budget

PROFIT TAX CONTRIBUTION	
AmCham members contribution to State Budget revenues	0,94%
AmCham members profit tax (%State budget revenues from profit tax)	7,79%
PENSIONS' CONTRIBUTION	
AmCham members contribution (% Social Security Budget revenues)	3,18%
AmCham members contribution (% Social Security Budget revenues from employers' contributions)	6,47%
HEALTHCARE CONTRIBUTION	
AmCham members contribution (% Healthcare Budget revenues)	2,67%
AmCham members contribution (% Healthcare Budget revenues from employers' contributions)	6,39%

Source: Ministry of Finance, AmCham, IBP, EY Analysis

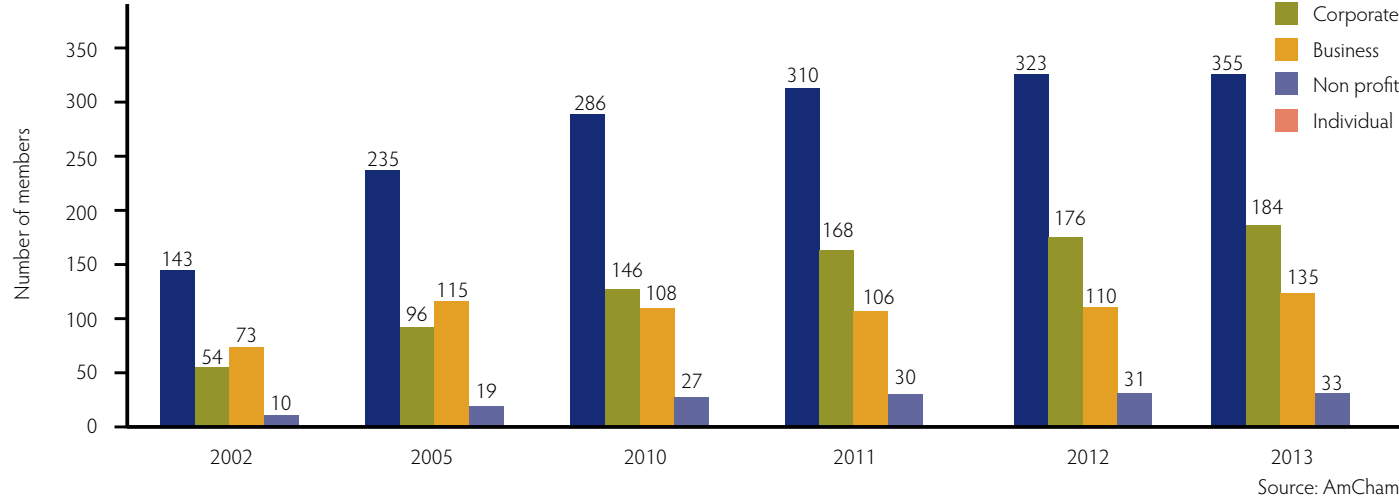
AmCham members come from a variety of industries, with top industries as legal services, audit and financial services, Consulting, ITC, healthcare & pharmaceutical, non-profit, banks and education, as seen in the graphic below:

Top 10 industries represented in AmCham Romania's membership structure



Also, with the development of Romanian economy and the rise in interest seen from foreign investors for Romania after year 2000 the number of **AmCham members more than doubled during the last decade**, reaching 355 in 2013. The graphic below illustrates the evolution of AmCham Romania's membership.

The evolution of AmCham Romania membership - number of member companies

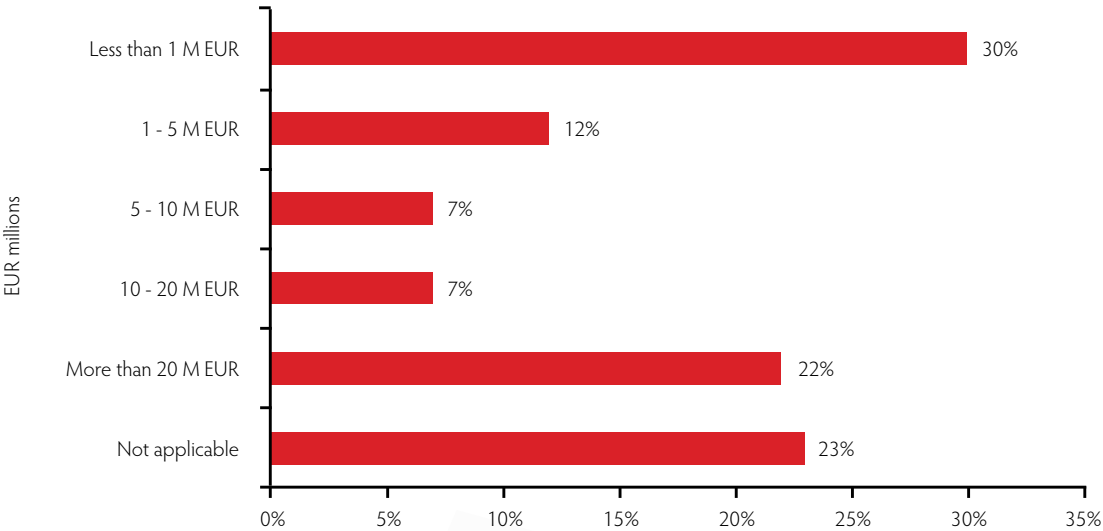


Of all AmCham members, the largest segment is represented by corporations, with 54% share (incorporated as Corporate and Patron members), followed by 34% businesses and 10% non-profit organizations.

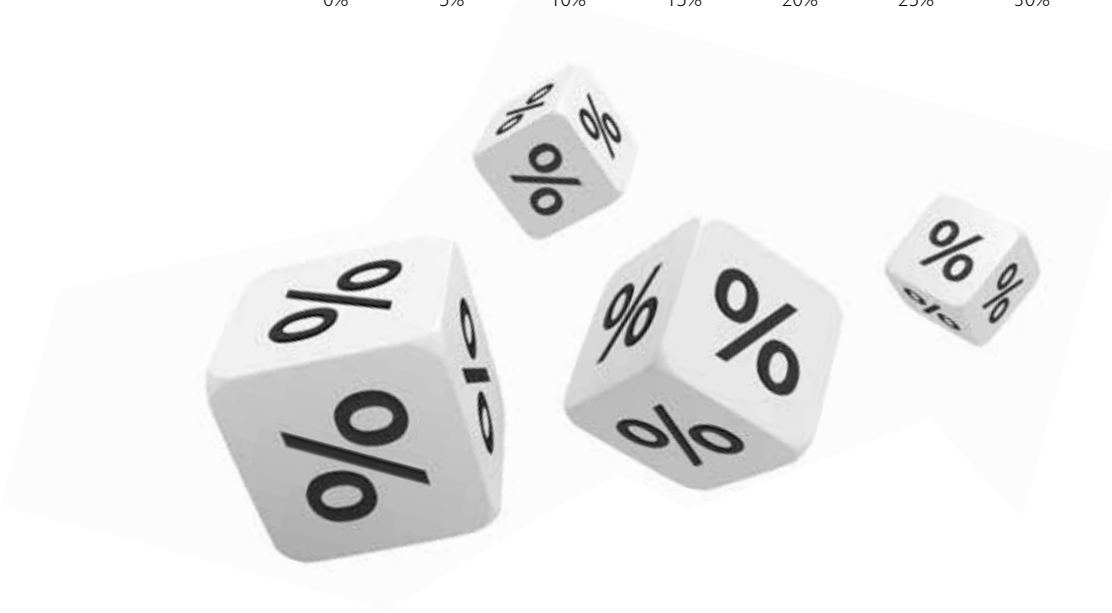
According to AmCham data and data provided by the members, the level of cumulated investment that AmCham members put into the Romanian economy surpasses USD 20 billion.

Based on the survey results we estimate that investments made by AmCham Romania members during the last 3 years reached EUR 1.2 bn, which represents 24% of direct foreign investments in Romania in the same period (2010-2012).

Volume of investments made by AmCham Romania members during 2010-2013



Source: AmCham Impact Survey, EY analysis



AmCham Romania's Impact for Members

An analysis of AmCham Members' Satisfaction Survey

AmCham is perceived by the Romanian business community as a **leading provider of best practice, networking opportunities and business advocacy** for the economic environment in Romania, according to the impact survey that AmCham Romania employed together with EY Romania in 2013.

The survey was conducted in order to measure the perception of AmCham members regarding our organization's **footprint** in the business environment in Romania, its **contribution** to building a better business environment here and better relationships with business partners, and authorities, and **identifying new focus areas** for AmCham for the years to come.

The survey was open between **17 April – 24 May 2013**, being sent to all 326 AmCham members at the time. Responses were provided by **74 company representatives, 70% of them CEOs, Presidents or Managing Directors**. The average membership duration of respondents was 7.6 years, while most companies have been a member of AmCham for the last 5 years.

GOALS

- To assess the perception of the members regarding the activity of AmCham
- To assess the main bebefits that AmCham members gain from their membership
- To assess new areas of focus and areas of improvement

5 Key conclusions

have resulted following a quantitative and qualitative analysis of members' feedback

1. 93% of respondents believe that AmCham is an influential leading professional organization in the Romanian business environment. This perception reinforces AmCham's mission to be the business association of first choice for advocacy and business growth in Romania, a leading, reliable, independent voice of entrepreneurs and companies active in Romania, both US, international and Romanian based companies.
2. Top three legislative topics seen as significantly influenced through AmCham's contributions are: taxation, competitiveness and labor. This conclusion acknowledges AmCham's advocacy efforts and its objectives to clearly and openly communicate the opinions and concerns of members regarding relevant legislative projects.
3. In order to stay relevant for our members community we were interested to identify the top three areas where members would like to see a greater AmCham involvement. Based on the survey, AmCham members recommend a greater focus on:

- a. Entrepreneurship environment and culture
- b. Legislative framework for businesses
- c. Competitiveness aspects and public policies

4. AmCham's top 3 strengths, as indicated by the respondent are business network (51 answers), facilitating dialogue with the Government (46) and advocacy outputs (45). AmCham is proud to be a trusted facilitator for business leaders and companies doing business in Romania.
5. Members are very satisfied with the organization of AmCham events, according to a 59% of the respondents. AmCham organizes more than 60 events every year, besides the monthly meetings of the 11 committees and several other AmCham task forces. Addressing either competitiveness, corporate governance, health, energy, IT, infrastructure, labor market or EU funds, our events bring together professionals with great industry expertise, engaging them in value added exchange of opinions and best practice sharing.

In 2012 AmCham Romania organized:

61 events
and published
50+ Position Papers

AmCham Members in the Spotlight



SIVECO Romania

► Company's start on the Romanian market:

SIVECO Romania was founded in 1992. The company has grown from 2 employees in 1992 to 500 in 2006 and now, over 1,300 worldwide.

► Tipping point in business:

SIVECO's history shows a decisive evolution towards developing large scale, complex projects, with national impact and coverage. Its product portfolio includes high end solutions for eBusiness, eLearning, eHealth, eAgriculture, eCustoms.

Until 1997, the company worked only for export and became a shareholder owned company.

In 2005, SIVECO attracted the largest foreign investment on the local market, Intel Capital becoming one of its main shareholders. Also in this year, the company started its international expansion and today it is deploying complex IT projects in 27 countries on 4 continents.

► The business today:

Key figures



- over 1,500 clients – within Romania and abroad (European Union, Middle East, North Africa and the CIS area)
- 9 local offices + 5 international branches
- +3500 projects at global level
- more than 170 awards and recognitions

► Outstanding people:

The co-founders of the company are Irina Socol, President and CEO, and Alexandru Radasanu, VP Research & Development. Both graduated in automatic control and computer engineering, in the early 90's, as young entrepreneurs, they started to build a successful IT business. From the very beginning, the Romanian software industry was entirely private, being one of the most competitive worldwide.

► Contribution to Romania:

SIVECO Romania has gained a solid expertise in large complex projects with national extensive coverage and a profound social and economical impact, in various fields nationwide: education, health insurance, agriculture, customs activities.

The constant involvement in the CSR area (Corporate Social Responsibility) defines the corporate maturity SIVECO holds today. In fact, the social responsibility is part of the organization core-business itself, being incorporated in software solutions with high positive impact.

► AmCham membership going forward:

Future plans are consistent with our current progress: we will continue to develop, to invest in research, quality and in employee specialization and to promote ethics and commercial transparency. Related to future AmCham initiatives, our company's focus consists of improving competitiveness in the Romanian business area, as well as international lobby for proper partnerships in order to develop major projects worldwide.

Key Findings of the Survey

AmCham's activity role and impact as perceived by members

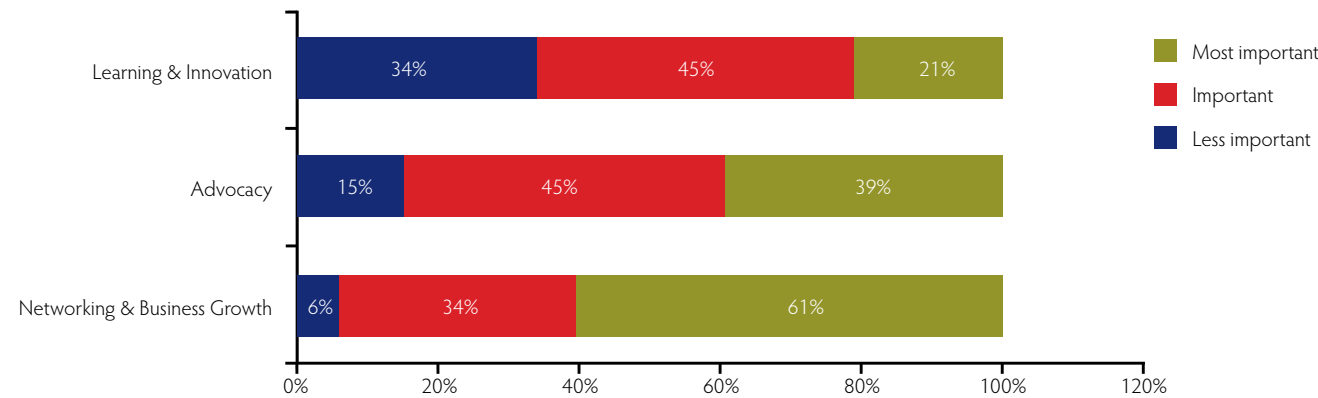
AmCham Romania is honored by the feedback rendered by members through the Impact Survey. An overwhelming 93% of respondents would recommend AmCham membership to other companies, showing high degree of customer satisfaction with AmCham's service offering and proving our status of benchmark professional organization in Romania. Such feedback compels AmCham to further improving its benefits to members and intensify its efforts to implement a pertinent agenda for members, also relevant to the business community at large.



► Excellent networking opportunities

Members highly value the networking opportunities that AmCham offers through organization of events, committees' and informal meetings, seminars and workshops. As expected, the networking opportunities represented a key motivation in becoming a member of our organization. This follows from the ranking chosen by respondents when asked about the order of importance of AmCham's services: networking is the most important, being the number one choice for 61% of members, advocacy ranks second with 39% of answers, while learning & innovation has a 21% share.

AmCham services in order of importance for members

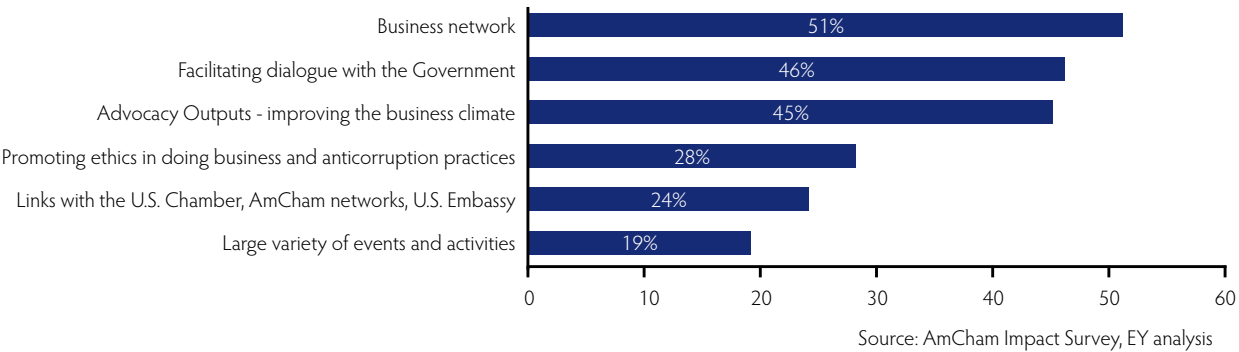


Source: AmCham Impact Survey, EY analysis

► Top three AmCham strengths

The motivation for becoming a member and the order of importance of services offered to members are correctly mirrored by the strength points of AmCham, as perceived by the survey respondents: business network leads, while facilitating dialogue with the Government and advocacy outputs are on the second and third position. These results show that we are perceived as a strong **facilitator of dialogue** between actors of the economic environment:

Top 3 AmCham strengths

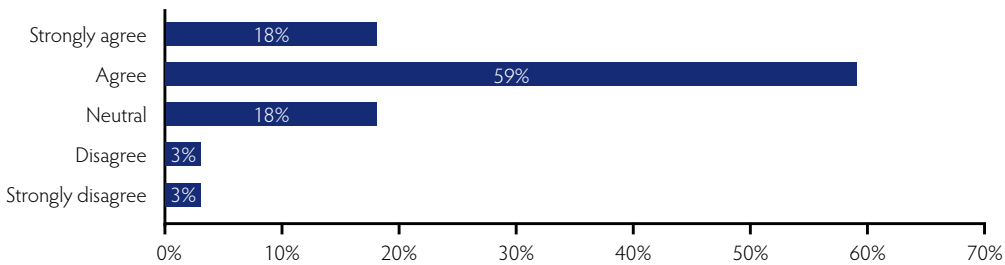


Source: AmCham Impact Survey, EY analysis

► Excellent focus on members' needs

AmCham is perceived as an organization focused on its members' needs. 77% of members agree or strongly agree with the statement that AmCham is focused on its members' needs and acts accordingly, while 6% of them disagree or strongly disagree. The distribution of answers shows that AmCham has the right direction and executes its strategy accordingly.

Is AmCham focused on its members' needs and acts accordingly?



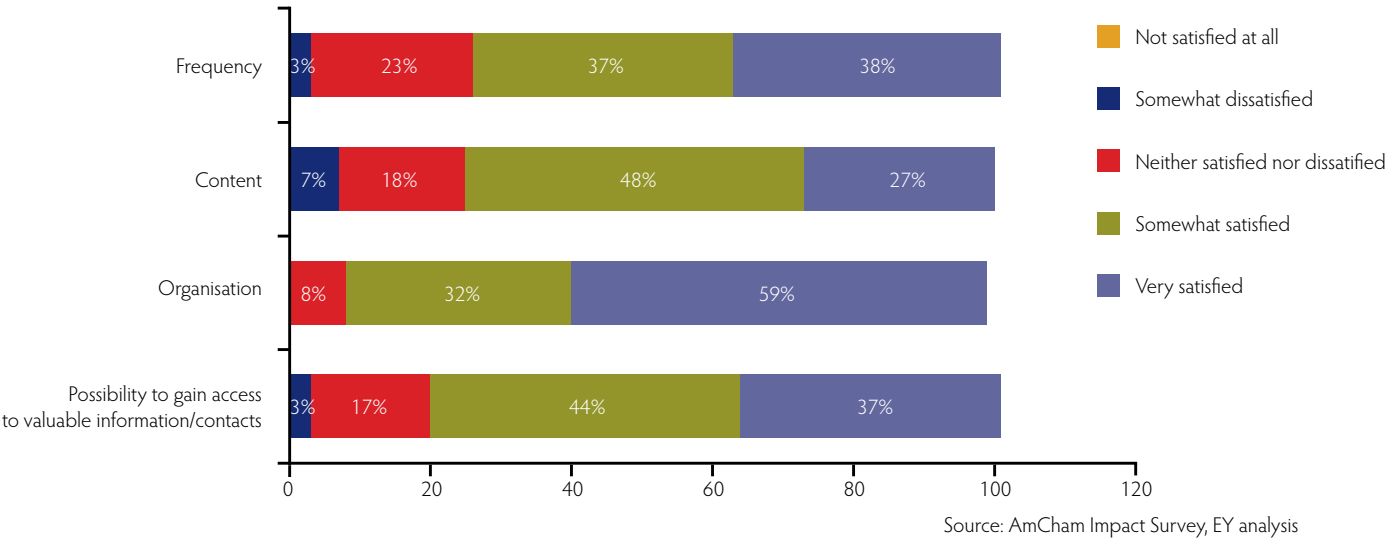
Source: AmCham Impact Survey, EY analysis

► **High quality networking provided through a great number and types of events**

AmCham organized only in 2012 more than 60 events opened to members. The quality of these events was appreciated by the survey respondents: 59% of them being very satisfied with the organization

of AmCham events. This perception validates AmCham's efforts in organizing first rate events for business representatives and motivates us to go to great lengths in organizing future events.

Satisfaction with the events organized by AmCham

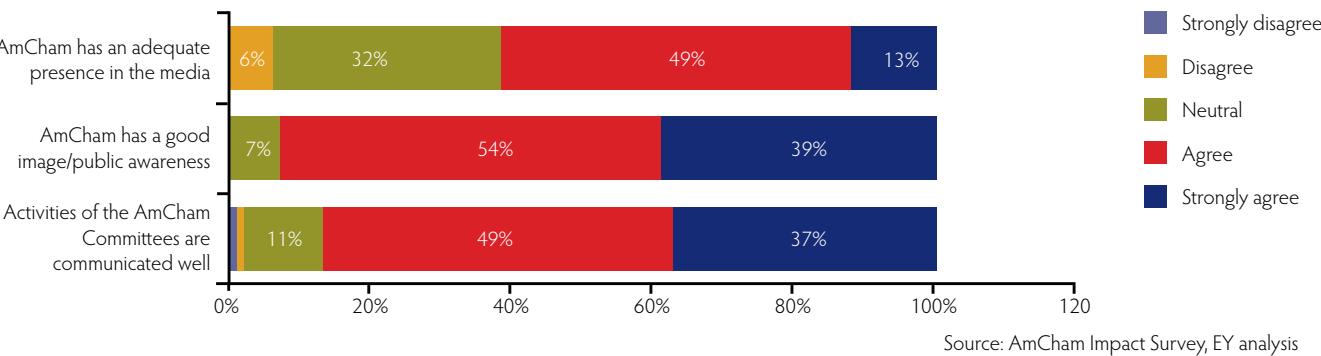


► **Excellent public image and very good communication, internal or external**

Regarding PR and communication, AmCham has an adequate presence in the media according to a majority of respondents (62%) and has a good public image according to 93% of them. Also, the activities of AmCham committees are communicated well internally and externally,

according to 86% of respondents. The organization's public image is one of AmCham's most valuable assets as integrity and reliability are leading values ensuring that AmCham's voice expressing members' opinions is listened to and taken into account by Romanian regulatory bodies and the Romanian Government.

Members' perception of AmCham's internal and external communication

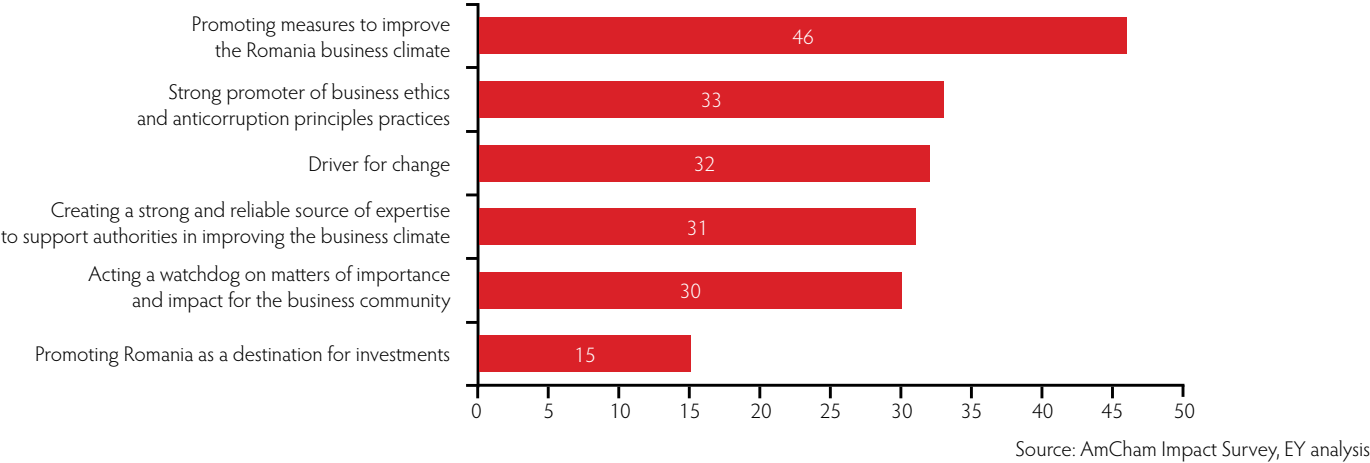


► **AmCham's actions with the highest impact in the Romanian business environment**

True to its purpose to support Romania's economic growth and to contribute to building a stronger business environment, AmCham is perceived as **driver of change**, and a **strong promoter of healthy business principles and anticorruption principles**. When consulted about the areas of great impact of AmCham's activity in

the Romanian business environment, the promotion of measures to improve this climate ranked the highest (46 answers), whereas the promotion of foreign investments in Romania ranked the lowest (15 answers). Other outcomes ranked in the middle, with roughly 30 answers each: anticorruption promotion, driver of change, expertise pool and watchdog for the business community.

AmCham greatest areas of impact on the business climate in Romania

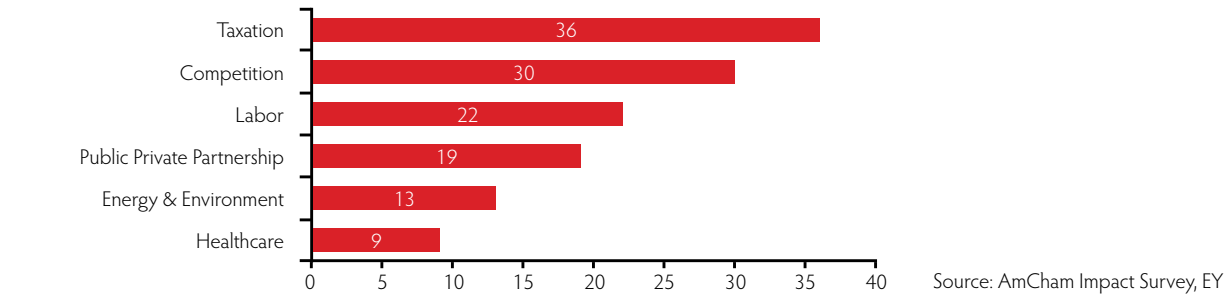


► **AmCham's significant contributions for a better legislative framework in Romania**

Top three legislative topics seen by members as significantly influenced through AmCham's contributions are: **taxation, competitiveness and labor**. The fact that AmCham is effective in advocating the opinion of its members and making the case for their arguments is mainly owed to

the determination and professionalism of the specialists contributing to AmCham's committees and task forces. They continuously monitor the legislation, the proposed changes impacting the business environment or various industries and elaborate rigorous arguments and position papers to signal the impact and propose solutions to address such issues.

Main legislative areas where AmCham made significant contribution

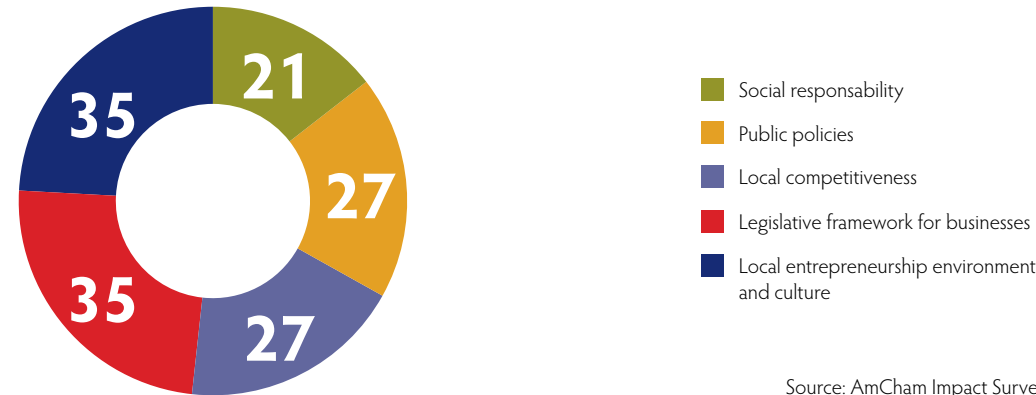


► **Top 3 areas in which members would like to see a greater involvement from AmCham**

Members have also been consulted regarding the top areas in which they would like to see a greater AmCham involvement. Legislative framework for businesses and local entrepreneurship environment and

culture are the two key areas that our members would like us to focus more during the coming years.

Areas of improvement for AmCham



Source: AmCham Impact Survey, EY analysis

AmCham Members in the Spotlight

**TUCA ZBARCEA
ASOCIATII**

Țuca Zbârcea & Asociații

► **Company's start on the Romanian market:**

Țuca Zbârcea & Asociații has been founded in March 2005.

► **Tipping point in business:**

The company has continuously improved its market position to the point that it has gone from being a "new market entry" to becoming a forceful player in the Romanian legal services market, one that "has earned a well-deserved place in the top echelon of the profession" (Legal 500). The key to the firm's continued growth lies in the business model that the founding partners have implemented: a partnership model that fosters real freedom of expression, dynamism and innovation, excellence in services, effective communication and democracy.

► **The business today:**

Since its formation the firm has more than tripled its client portfolio and lawyer headcount in the Bucharest office alone. The number of professionals in the firm exceeds 160 lawyers, insolvency practitioners, tax consultants, IP counselors and EU structural funds consultants. The firm's lawyers work on key-landmark projects in various areas, successfully managing over 3,000 cases on a yearly basis, managing financings worth approximately EUR 3.5 billion since 2008 and completing some the largest deals in the energy sector in Romania.

► **Outstanding people:**

Țuca Zbârcea & Asociații gained strong market recognition as one of the best companies to work for, after it obtained two Aon Hewitt "Best Employers" titles in 2008/09 and 2010) and the "Best Managed Workplace Award" in 2012 (Managing Partners' European Leadership Awards). In addition, Managing Partner Florentin Țuca currently stands as the sole Romanian lawyer who has ever received a "European Managing Partner of the Year" recognition from the London-based publication The Lawyer.

► **Contribution to Romania:**

As a firm, Țuca Zbârcea & Asociații undertakes a strong commitment to CSR/Pro bono. According to its own Pro bono program, up to 3% of the firm's billable hours are devoted to Pro bono work. Beneficiaries of the firm's CSR and Pro bono programs are the Romanian Mathematical Society, "We Plant Good Deeds" Foundation, Artmark and Artmark Institute of Art Management, "Cinemascop" Association (founded by the well-known filmmaker and director Cristian Mungiu), "D'Aya" Theatre Company, the weekly "Dilema Veche", "EIDOS" Cultural Foundation/World Press Photo, "Sergiu Celibidache" Foundation, and many more.

Țuca Zbârcea & Asociații was named the Most Innovative Law Firm in Continental Europe by the Financial Times and has garnered a string of local, regional and international accolades, such as the "Law Firm of the Year Award: Romania" (IFLR European Awards 2012), the "Law Firm of the Year Award" (Chambers Europe Awards for Excellence 2010), the "Law Firm of the Year in Eastern Europe and the Balkans Award" (The Lawyer European Awards 2010)

Romania Now^{and} Going Forward

Romania has gone a long way during the past 20 years, has taken strenuous but steady steps towards democracy and an open market - a process closely monitored and supported by AmCham . Now, that we draw the line on a 20-year activity, it is important to know how we should look towards the future, what are the lessons learned and what changes do we expect to shape the future. Despite the general uncertainty that governs markets all over the world, we need to continuously shape and pursue our national goals and forecast.

Key Growth Drivers for Romania

Manufacturing and engineering are Romania's backbone industries. The country also possesses substantial energy resources and agricultural land. Most sectors of the economy remain under-exploited and offer great potential, particularly manufacturing, agriculture, and tourism.

Sectors that attracted foreign investment in past years include automotives, insurance, food processing, telecommunications, construction, and consumer goods manufacturing. More recently investors have shown interest in the field of renewable energy, with a special focus on wind farms.

Romania has considerable scope to catch up with its more developed neighbors in the EU. With a gradually improving policy background, and the adoption of modern information and communications technology (ICT), productivity growth will be relatively strong. Labor productivity growth is forecast at 2.9% per year in 2012-20. However, the poor demographic outlook means that this relatively strong productivity performance will be insufficient to prevent a significant slowdown in the rate of growth of real GDP per head, to 3.4% per year in 2012-20, compared with a much stronger performance in the previous decade. (the Economist Business Intelligent Unit)

GROWTH AND PRODUCTIVITY (% change; anual av)	2012-20	2021-30	2012-30
Growth of real GDP per head	3.4	3.9	3.7
Growth of real GDP	3.2	3.5	3.4
Labour productivity growth	2.9	3.7	3.3

The country's links to the European economies (exports to the EU account for 30% of GDP) make it vulnerable to the recession in the Eurozone and increase its exposure to the fallout from the sovereign debt crisis. The

scenario of default in peripheral Eurozone countries would increase the risk of turmoil in the Romanian financial system, which is dominated by Western European banks.

The table below represents the key macroeconomic indicators for Romania.

Macroeconomic Indicator	Units	2008	2009	2010	2011	2012e	2013F	2014F	2015F	2016F	2017F
Real GDP growth	% yoy	7.3	-6.6	-1.6	2.5	0.2	1.6	2.2	2.8	3.0	3.2
Nominal GDP	EUR bln	140	118	124	137	137	139	142	146	151	155
Nominal GDP per capita	EUR	6,496	5,505	5,788	6,384	6,397	6,499	6,642	6,828	7,033	7,258
Inflation (annual avg.)	% yoy	7.9	5.6	6.1	5.8	3.4	4.9	3.3	2.8	2.5	2.5
Exchange rate	EUR/RON	3.7	4.2	4.2	4.2	4.4	4.5	4.4	4.4	4.4	4.4

Source: IMF, National Prognosis Commission, EY analysis

Gross Domestic Product

The annual real GDP had an average growth of 6.3% and 7.3% in 2007 and 2008, respectively, but was hit by a major decrease of 6.6% in 2009. While the economy got out of decline in the second quarter of 2010, the fiscal measures adopted in the third quarter pushed Romania back into recession, the annual real GDP growth reaching an annual level of -1.6% in 2010. 2012 was the second year of consecutive real GDP growth, with a 0.2% rise that followed a 2.5% growth in 2011.

In 2012, the main sectors contributing to GDP were:

- Services – 34%.
- Manufacturing and industry – 28%.
- Net tax – 13%.
- Commerce – 11%.
- Constructions – 8%.
- Agriculture – 5%.

Although consumer demand was the main driver of economic growth in previous years, consumers drew back in 2009 and 2010, before rebounding slightly in 2011 and 2012.

In 2012, the services sector grew by 0.8% from the prior year and was the main driver of growth in the economy. Although the export volumes decreased in 2012, export prices increased. This caused the value of exports to increase by 8.6%. In the same year, imports increased by 6%.

According to the National Forecast Commission, real GDP is set to increase by 1.6% in 2013 due to a positive contribution from domestic demand, as both consumer spending and investments are forecasted to increase. Industry will also fuel economic growth, as it is projected to record a steady increase.

Inflation

As seen in the table on the previous page, inflation fluctuated over the past years. Tax measures adopted by the government and aimed at increasing budget revenues caused inflation to surge in 2010.

Although inflation has been on a declining trend between October 2011 and June 2012, it increased significantly during the second half of 2012 and early 2013. The consumer price index recorded a significant increase in January 2013, both compared to the previous month (1.3%), as well as compared to January 2012 (6.0%). Several factors drove the variation: excise duty on cigarettes; price of electricity, the 2012 drought which drove food prices up, and the exchange rate volatility.

EUR/RON Exchange Rate

In the past years, RON has suffered from volatility as investor sentiment reversed flows of “hot money” originally attracted by high interest rates in Romania. Although having switched to an inflation-targeting regime, the National Bank of Romania reserves the right to intervene in order to control the appreciation/depreciation of the national currency. The domestic and Eurozone economic and political conditions caused a weakening of the RON against EUR from 4.31 in 2011 to 4.42 in 2012 (year-end).

Structural Developments

- A new Labor law targeting the increase in flexibility of the labor market was enforced.
- Social assistance law assisting in the rationalization of social assistance and improving the efficiency of social protection was enforced.
- Deregulation of prices on the natural gas market which lead to an increase of 19% in prices for industrial consumers. The bill related to changing the legal framework so as to transpose EU Energy 3 package was passed in 2012.
- Increases in rail and tube transport prices and closing of several non-utilized railways.
- Decreases in state budget arrears to under 0.2% of GDP.
- Measures to increase absorption of EU funds. However, the total financing attracted amounts to only 25% of the allocated funds for the period 2007-2013.

International Agreements

All the agreements that Romania signed had the purpose of assisting in the implementation of the structural reforms targeting sustainable economic position and stimulation of growth potential.

- In March 2011, the IMF approved the termination ahead of schedule of the 2009 financing agreement capped at EUR 20b (granted to alleviate Romania's fiscal deficit) and the settlement of a preventive EUR 3.5b stand-by arrangement for a period of 24 months, April 2011-March 2013. Up until now, the evaluation meetings were successfully completed.
- In 2009, WB agreed to lend EUR 1b in three tranches aiming at the structural reforming of public and financial sectors, as well as strengthening of social protection. The first tranche was contracted in 2009, the remaining EUR 700m being granted in 2011.

- In order to modernize the social assistance system, WB financed a EUR 710.4m Ministry of Labor, Family and Social Protection project.
- International Financial Corporation financed three projects in Romania worth EUR 113m, therefore raising their total exposure to EUR 1.1b.
- EBRD increased its exposure to the Romanian market to EUR 5.7b, through financing 30 projects worth EUR 448.8m by the end of 2011.

on household budgets and public-sector jobs. However, in the medium-term, consumers are expected to benefit from the real wage growth generated by improvements in productivity.

- Growth in consumer credits will be more moderate in the near-to-medium term than it was in the pre-recession period. The demand for credits in foreign currencies was one of the key components of the growth in 2008.

Key Forecasts

- However, the forecasted rates fall short of the pace in the pre-recession years. Therefore, the following years should be characterized by a return to growth, as the consumers and entrepreneurs regain their confidence and as exports hold up.
- Core inflationary pressures are estimated to remain modest provided that the national currency does not suffer from a sudden burst of capital outflow, which would depreciate the currency. This would therefore translate into higher cost for imports that would fuel inflation.
- Economist Intelligence Unit forecasts an approximately similar EUR/RON exchange rate for 2013 of around 4.5 and anticipates a stabilization of the local currency in the following 4 years.
- Consumer expenditures will remain on the low side, particularly due to a high unemployment rate, debt-burdened households, tight conditions on domestic credit markets and the impact of fiscal measures

Romania Beyond 2020

Infographic: Romania vs Europe 2020 targets

OBJECTIVE	ROMANIA TARGETS	EUROPEAN TARGETS
Employment rate for population aged 20-64	70 %	75 %
R&D expenditure	2 % of GDP	3 % of GDP
Greenhouse gas emissions	-19%, (base year 2005)	-20% (base year 1990)
Renewable energy	24 % of total energy consumption from renewable sources	20 % of total energy consumption from renewable sources
Early leavers from education and training	less than 11.3%	less than 10%
Tertiary education attainment	26.7% of 30-34-year-olds	40% of 30-34-year-olds
People at risk-of-poverty or social exclusion	580.000 less people	20 million less people

Source: The European Commission – Europe 2020

Messages on AmCham's 20th Anniversary



Message for AmCham Members,
by Johnathan Scheele
EU Ambassador to Romania, 2004

20 dynamic years – and I know that AmCham will remain a reliable partner in nourishing an even better business climate over the years ahead. Jos palaria to all of you who continue to make such a meaningful difference!



Mark H. Gitenstein
US Ambassador to Romania, 2009- 2012

AmCham is the premiere business association in Romania for US based companies. One of my primary responsibilities as US Ambassador was to insure that US companies were treated fairly by local authorities and that the business environment in Romania was a level playing field and transparent. AmCham and its excellent leadership and staff were critical allies in that effort.

I spent over a third of my time in this endeavor which soon grew into a larger effort to insure that the rule of law applied to all aspects of Romania and her government. In the summer of 2012 this became a fully-fledged constitutional crisis. Responsible leaders in the government responded to the concerns raised by me, other diplomats, representatives of the EU and the business community including AmCham. In that sense AmCham has been one of the important change agents in Romania, assisting it to continue to strengthen its democracy and deepen its markets. This will not only advantage US companies and encourage more foreign direct investment in Romania. It will benefit every Romanian and help her to perform better its role as a member of NATO.



Michael Guest
US Ambassador to Romania, 2001 - 2004

During my time as Ambassador (2001-04), AmCham was the indispensable partner in pressing for greater government transparency, regulatory reform, and the rule of law – all essential not only to the dramatic growth of U.S. investment and commercial relations during that period, but to Romania's own long-term economic interests as well. AmCham can justifiably be proud of the achievements it has empowered in each of these areas across



Dan Ionescu
Former Member of the AmCham Romania Board of Directors

Since the very moment it was registered in Romania, AmCham was the engine to promote and nail down ethics, transparency, unyielding integrity in business, the highest and non replaceable values for an open and fair market competition with all mutual benefits for both producers and consumers. AmCham brought a significant contribution to the consolidation of the Romanian market economy, its name being highly respected and regarded nation wide. Structured by commissions to successfully deal with the issues of the most important sectors the local economy faces, AmCham, as a voice of the business community active in Romania, plays an important role in supporting local authorities to make the Romanian market more and more attractive for foreign investors and reach the main goal, a higher living standard.

Congratulations AmCham for the excellent work. Keep it up for everybody's benefit.



Radu Enache
Country Manager Hewlett-Packard Romania,
Former AmCham Romania President

As a representative of the Hewlett-Packard team in Romania and one of its most faithful and constant supporters for many years, I am heartfully congratulating AmCham for its 20th anniversary. I am most honored to be part of one of the strongest teams of professionals representing American investors in Romania, a team whose importance in the development of local economic environment is undeniable, and I am proud to have contributed to building one of the most efficient economic partnerships our country has developed with such an important investor. I am wishing AmCham team all the success and inspiration, innovative and profitable partnerships, as well as a long and prosperous activity in Romania!



Mihnea Moțoc
Ambassador, Permanent Representation of
Romania to the European Union

On the occasion of your 20th anniversary, it is my great pleasure to convey the warmest wishes of success to all AmCham Romania members.

AmCham's operation in Romania during the previous 20 years has provided value to the strengthening of the US - Romania Strategic Partnership, of which the economic and commercial cooperation is a pillar, as reflected in the Joint Declaration of September 2011.

We look forward to a consolidated role for the business community. A facilitated contact between Romanian and American business people is a key objective, as it would help increase the volume of investments and bilateral trade exchanges.

At EU level, Romania is a staunch supporter of the advancement of the Transatlantic economic relation and supports steps forward taken in the perspective of launching negotiations for a Transatlantic Trade and Investment Partnership. The EU - US economic relationship will benefit from a high-standard Trade and Investment Partnership that would advance liberalization and address regulatory and other non-tariff barriers, at the same time creating the opportunity to contribute to the strengthening of the multilateral trading system.

I take the opportunity of this anniversary to express my genuine belief in a continuously fruitful cooperation with AmCham. Happy 20th anniversary!





Francois Rantrua

Country Director, World Bank Office in Romania
2010 -2013

On the occasion of 20 years anniversary, I would like to congratulate the American Chamber of Commerce in Romania for being a strong voice of corporate civic initiatives, and a reliable forum for the business community in the country. Beyond that, it is in particular the determination and professionalism with which AmCham has engaged with the Government and stakeholders on addressing major themes, critical for Romania's long term development and prosperity, ranging from public sector reforms, and agriculture, to ICT or energy sector reforms, which make AmCham deserve our full appreciation.

On behalf of the World Bank, I would like to thank you for our excellent cooperation. Please, do keep up the good work you are doing in and for Romania!



Tonny Lybek

IMF Resident Representative in
Romania and Bulgaria 2009 – 2013

Let me first congratulate you and your colleagues on the American Chamber of Commerce's (AmCham) 20th Anniversary.

In March of 2009, immediately after I became the IMF's Resident Representative in Romania, AmCham invited me to deliver a presentation on the IMF's views on Romania's economic program. We have had a constructive dialogue, including when we have had honest differences of opinion. At the IMF, we are keen on engaging with a broad range of stakeholders, including representatives from the private sector, trade and labor unions, think tanks and civil society organizations. This continued dialogue helps us form a richer view of the challenges facing economies, institutions, and citizens. The dialogue with AmCham and its members has provided my colleagues and I with better information on the day-to-day problems that many companies are facing in the current business environment as well as ideas on how to improve it with a view to achieve more sustainable and inclusive growth.

Let me convey to you my best wishes on the 20th Anniversary of the AmCham, hoping that it will continue to remain an active partner for Romania's economic development with many more cooperative and successful years to come.



Adrian Vierita

Romanian Ambassador to the US
2008 – 2013

On the 20th anniversary of AmCham Romania it is my distinguished pleasure to congratulate you and your team in successfully promoting Romania through all your activities.

I particularly value the efforts and contribution of your team to the steady improvement of the business environment in Romania and to enhancing business awareness on the investment opportunities in Romania.

The Strategic Partnership between Romania and the United States of America ensures a generous framework for developing the fields of cooperation between private and public sector in order to increase the interest of the American companies to invest the the Romanian market, as well as of Romanian companies to do business in the United Stated. I firmly believe that the business community has a tremendous role in promoting the economic component of the Strategic Partnership and I trust that the AmCham Romania will continue to prove a supportive and dynamic partner in achieving the goal of strengthening the economic relationships between Romania and the United States and in making it beneficial for both parties. I would like to reiterate by best wishes of every success for AmCham Romania and more successful years in all your endeavors.



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