



2020

CHEMICAL INDUSTRY IN ROMANIA

EMBASSY OF INDIA, BUCHAREST

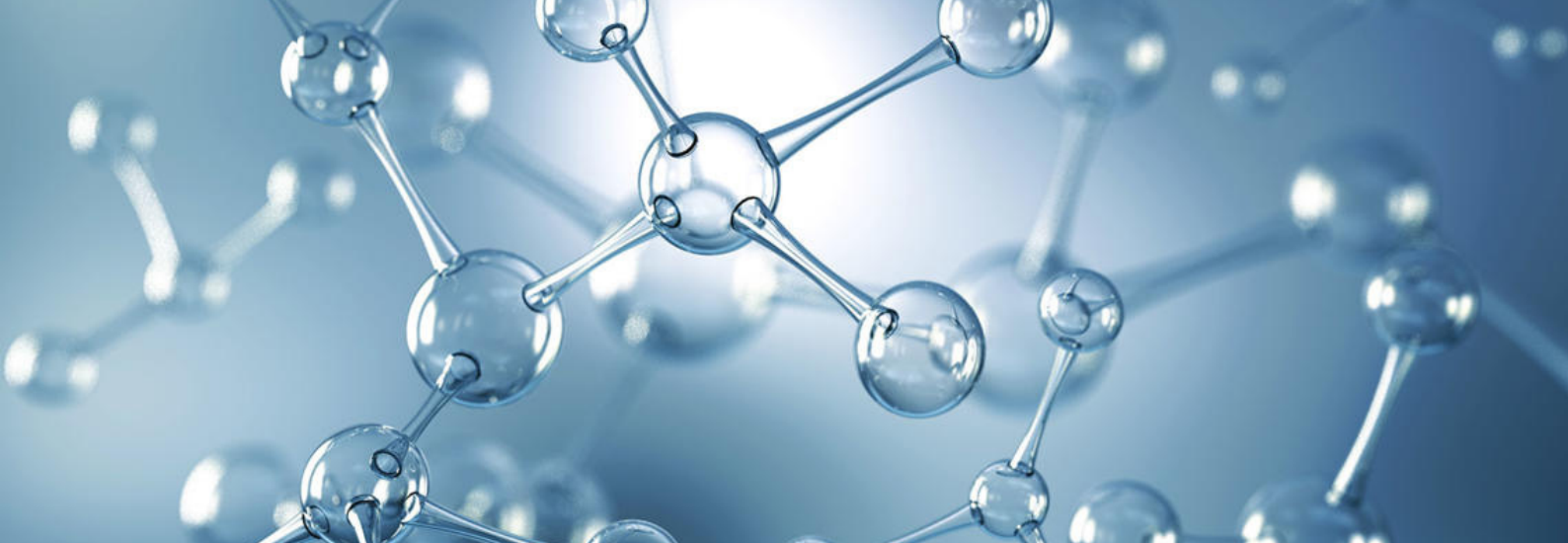
www.eoibucharest.gov.in



Till 1990, the chemical industry of Romania was one of the largest in Eastern Europe as Romania enjoys substantial natural reserves, namely salt, sulphur, potassium, oil and methane gas. During the Communist regime, this industry engaged significant material and human resources. 72 factories and combined plants which had the role of processing raw materials at national level were built. A high-performance education system was organized for the training of human resources with 12 vocational schools and 23 high schools, 17 faculties and 10 research and design institutes.

The peak of this industry was in 1980. Bucharest owned 14.6% of chemical production, followed by Argeş, where the petrochemical department of Arpechim Refinery accounted for about 8% of national chemical production, and Prahova, where the presence of refineries led the county at a rate of 7.2%. Bacău followed, producing mainly through the Borzeşti Petrochemical Plant and Amurco Plant, with a share of 6.7%, Vâlcea, through Oltchim, had 6.5%, and Braşov County had a share of 6.1%.

In the beginning of 1990, the Romanian chemical industry produced goods worth Lei 469 billion, i.e. about Euro 3 billion. The average annual growth rate was 14.9%. Between 1960 and 1989, the number of chemical enterprises rose from 57 to 89, and the average number of employees increased from 45,900 in 1960 to 207,000 in 1989. Production in the chemical industry increased by 221 times in 1989 compared to 1960.



Following the shift to free market economic policies that begun in 1990, large state-owned production facilities had to be restructured and privatized.

In 2012, the number of chemical manufacturers in Romania dipped to 824, but the numbers have since been increasing. Important players in the chemical industry increased efforts for competitive presence in the market.

In 2016, the domestic chemical industry exported products worth Euro 1.6 billion and imported worth Euro 5.6 billion. The number of companies operating in the Romanian chemical industry amounted to 979 in 2016. The number of people directly employed by the Romanian chemical business was about 22,500. Capital spending invested in the chemicals business was about 271 million Euros.

In 2016, the top partner countries to which Romania exported chemicals included Germany, Bulgaria, Russia, Turkey and Hungary. The top partner countries from which Romania imported chemicals included Italy, Hungary, France and Poland.

Romania registered the second highest annual growth rate of imports of chemicals from non-EU sources for the period 2007-2017. The increase in imports was 13.1% per year, immediately after Ireland.



In contrast, during the same period, exports grew at an annual rate of only 2%. This percentage placed Romania on the last place in the EU in terms of the evolution of chemical exports to countries outside the European Union.

Starting in 2017, companies interested in investing on the chemical and petrochemical sector in Romania reappeared. The prospect of exploiting the Black Sea gas opened up new opportunities for the chemical sector as well.

In data, published in 2018 by Eurostat showed that Romania's imports of chemicals from non-EU countries were growing, while exports were advancing at a much slower pace.

In 2018, Oltchim began restructuring, its assets were acquired by Chimcomplex Borzești. In May 2019, the company announced that it had become the largest exporter in Romania, following the acquisitions from Oltchim. The acquisition of Oltchim's functional assets was determined by the need to relaunch the country's chemical industry by capitalizing on the material, financial and human resources available in Romania, and to establish the import/export balance of chemicals.

Two major companies operating in Romania — Romgaz and OMV — have included investments into petrochemicals in their long-term plans, in advance of an anticipated hike in natural gas production from 2020. Their plans, along with Chimcomplex's ambitions to



create a local chemicals giant, could lead to the revival of the local petrochemicals industry.

The chemical industry as a whole is now enjoying a better outlook again as natural gas production is likely to soar after 2020 and investors look more inclined to capture the opportunities. Major Romanian natural gas producer Romgaz has included petrochemicals among the new markets envisaged in its 2018-2020 development strategy, and OMV is considering developing a petrochemical unit at its Romanian refinery Petrobrazi as well as set out in the group's 2018-2025 Development Strategy, after shutting down such a unit several years ago. Bucharest is looking to develop gas transportation infrastructure to deliver its Black Sea gas to other markets, including the Bulgaria-Romania-Hungary-Austria pipeline.

Accordingly, Romania is likely to become more active in retaining the gas in the country for domestic processing, or re-directing the gas toward other countries, namely Moldova and Ukraine.

Fertilizer production, besides petrochemicals and other segments of the chemical industry, hold robust development potential. Romania, which has a large agricultural sector, imported €10bn (5.5% of GDP) worth of chemical products in 2017. There is only one petrochemical unit in Romania, operated by KazMunayGas at Rompetrol Rafinare on the Black Sea coast.



Some important facts about chemical industry of Romania:

(I) Total imports of chemicals by Romania from other countries in 2018: US\$ 8.977 Billion

(II) Total exports of chemicals by Romania to other countries in 2018: US\$ 2.540 Billion

(III) Major items of import:

Items	Value	Year
Plastics chemicals	\$4.91B	2019
Rubbers chemicals	\$1.80B	2019
Miscellaneous Chemical Products	\$1.44B	2019

(I) Major items of export:

Items	Value	Year
Rubbers chemicals	\$2.59B	2019
Plastics chemicals	\$1.83B	2019

(V) In 2018, the top partner countries from which Romania imported chemicals include: Germany, Hungary, France, Italy and Netherlands.

(VI) In 2018, the top partner countries and regions to which Romania exported chemicals include: Germany, Bulgaria, Hungary, Russian Federation and Turkey.



ROMANIAN COMPANIES & ORGANISATIONS

List of major chemical companies of Romania along with contact details:

OLTCHIM

Address: Str. Uzinei, Ramnicu Valcea, Romania

E-mail: oltchim@oltchim.com

Website: www.oltchim.ro

AZOMURES

Address: Strada Gheorghe Doja nr. 300, Tîrgu Mures, Romania

Tel: +40 265 253700

Email: office@azomures.com

Website: www.azomures.com

ROMGAZ

Address: Medias, P-ta C.I. Motas, nr.4, Romania

Tel: +4-0374-401020, +4-0374-474325

Fax: +4-0269-846901

Email: secretariat@romgaz.ro

Website: www.romgaz.ro

CHIMCOMPLEX BORZESTI

Address: Str. Industriilor nr. 3, Onesti, Bacau, Romania

Telefon: +40234302250

Fax: 0234302102

E-mail: office@chimcomplex.ro

Website: www.chimcomplex.ro

CONPET

Address: Strada Anul 1848 nr. 1-3, cod poștal 100559, Ploiești, Prahova

Tel.: +40 244 401360

Fax: +40 244 516451

E-mail: conpet@conpet.ro

Website: www.conpet.ro

OIL TERMINAL

Address: Str. Caraiman nr. 2, Constanta, 900117, Romania

Tel: +40241702600

Fax: +4 0241694833

E-Mail: office@oil-terminal.com / comunicare@oil-terminal.com

Website: oil-terminal.com

Details of industrial parks and regions of Romania

TeraPlast Industrial Park

Address: DN 15A, km 45+500, Cod. 427298, Jud. Bistrița-Năsăud

Website: www.teraplast.ro

Details of chemical industry associations, investment promotion agencies, key Ministries etc.

**Ministry of Economy, Energy and Business Environment
Government of Romania**

Victoriei Avenue, nr. 152, Sector 1, București, cod 010096

Tel: 0040-21-202-5106/ 0040-21-202-5311

Romanian Chemical Producers and Distributors Association

Address: str. Mihai Eminescu, 105-107,
etaj 1, apt 6, 020073, Sector 2, Bucuresti

E-mail: office@apdcr.ro

Website: <https://apdcr.ro/en/>