

Foreign direct investments drop by 68 pct in first eight months

Foreign direct investments have dropped in first eight months of 2020 by 68 pct compared to the similar period of last year, to 1.396 billion euro, according to data published on Wednesday by the National Bank of Romania (BNR).

"Direct investments of non-residents in Romania totaled 1.396 billion euro (compared to 4.364 billion euro in January - August 2019 period), of which participations to capital (including estimated reinvested net profit) totaled the net value of 994 million euro, and intra-group credits have recorded the net value of 402 million euro," a release of the BNR mentions.

The number of newly-founded companies with foreign capital has dropped in the first eight months of the year by 33.9 pct, compared to the similar period of 2019, to 2,495 units, according to data centralized by the National Office of the Trade Register (ONRC).

The 2,495 new companies had a social subscribed capital totaling 13.032 million US dollars, a drop of 21.2 pct over January - August 2019.

On August 31, 2020, the highest number of companies with foreign participation was that of companies with investors from Italy, specifically 49,349 (3.849 billion dollars subscribed capital), but the highest value of social capital belongs to Dutch companies, namely 12.799 billion US dollars, in 5,484 companies.

In August there were 385 companies with foreign participation registered, with a subscribed social capital of 8.458 million US dollars.

Depending on domain, the highest share of companies registered were in retail and wholesale, auto and motorcycle repair, with 28.83 pct of the total; professional, administrative, scientific and technical activities - 22.86 pct; and transport, storage and communications - 14.55 pct.

At the end of August 2020, in Romania there were 229,387 companies with foreign participation in their social capital. The value of subscribed capital was 63.952 billion US dollars.