

Number of insolvencies in Romania go up by 23% in first semester

Over 3,000 new procedures for insolvencies have opened up during the first 6 months, with 23% more than the level registered during the same interval of last year, the number of opened insolvencies during the first half of the year almost going back to the level prior to the COVID-19 pandemic, according to a recent study done by Coface Romania.

"In the first 6 months of 2021 there have been 3,033 new insolvency procedures opened, with 23% over the level registered during the same interval of last year. The number of insolvencies opened during the first half of this year have almost gone back to the level prior to the COVID-19 pandemic and it is estimated to go up by at least 10% from the previous year. The number of employees reported by the insolvent companies during the analyzed period is 11,294", according to the study's data presented on Thursday, during a press conference.

Furthermore, financial losses caused by the insolvent companies during the first quarter of 2021 were almost 2 billion RON, 5 times under the corresponding level of 2015 and the lowest point of the last decade.

Regarding the sector distribution of insolvencies, most insolvencies opened during the first half of the current year were registered in the constructions sector (542), followed by the retail (455) and the wholesale and distribution (409).

The number of companies that halted their activity during the first half of this year was 55,906, rising by 31% from the same period of last year. At the same time, newly registered companies have gone up 79,734, of which LLCs represent 53,844, with 58% more than the same semester of the previous year, the maximum of the last decade.