ROMANIA

MARKET OPPORTUNITIES

Report Date: **July 2025**

CONTENTS

1 COUNTRY PROFILE

Overview

The largest Balkan country and a key player in the Black Sea region

cia.gov, The World Factbook

- Fast growing low-cost manufacturing base in Southeastern Europe
- 21.2% of the population employed in agriculture and primary production
- 1st oil and gas producer in the CEE region (excl. Russia)
- Located at the at the crossroads of Central, Eastern, and Southeastern Europe
- Good language skills of Romanian business persons
- Member of the Schengen area since March 2024 (after 12 years of negotiations)
- Soon to host the largest NATO military base in Europe

Total area: 95,046 sq. miles (twice the size of Virginia)
Population: 19 million
Government type: Unitary semi-presidential republic
Language: Romanian (official)
Capital + major cities: Bucharest (1.7 million) + Cluj-Napoca (286,000), Iasi (271,000), Constanta (263,000), Timisoara (250,000), Craiova (237,000)
Currency: leu (RON), 2024 average annual exchange rate – RON 4.598 per USD 1

Key economic indicators, Romania

GDP nominal	USD 357 billion
GDP growth	2024: 0.8% 2025: 1.4% 2026: 2.2%
GDP per capita PPP (worldwide ranking)*	USD 55,186 (44th)
Inflation	2024: 5.8% 2025: 5.1% 2026: 3.9%
Unemployment	5.3% (2025)

Source: European Commission, IMF, 2025
**2025 IMF projection*

Romania has maintained a pattern of convergence with the EU on per-capita income levels and has been growing its middle class. In 2007, its GDP per capita was around 38% of EU average; by 2024, this figure had risen to 78%. The period following the Covid-19 downturn spurred robust growth in 2021 and 2022, but its momentum slowed dramatically in 2024 as GDP growth fell to just 0.8%, with a modest recovery to 1.4% projected for 2025. Inflation, which had previously decreased from double digits, is increasing again at the moment (5.5% as of May 2025) due to adverse developments in the food, energy, and services sectors. Energy price caps being lifted will also keep inflation above target in the short term. Fiscal deficit remains high – 9.3% of GDP in 2024 – while public debt has increased to 56.3% of GDP, reversing previous downfalls.

The Romanian economy is driven by the following top sectors: agriculture (12% of workforce), automotive, information and communication technology (ICT), oil and gas, pharmaceuticals, electronics, shipbuilding, metalworking, telecommunications, and energy. In 2024, FDI was also most robust in manufacturing; energy (including renewables and gas), electronics, financial services; real estate and building; with interest also maintained in wood processing and optics. In services, Romania is a regional leader in IT, the so-called "Silicon Valley of Eastern Europe." The European country has one of the densest populations of qualified IT experts on the continent, ranking sixth in the world with more than a quarter-million experts employed in 2025.

A targeted selection of the top sectors that present export opportunities for US exporters is presented in this dedicated VEDP report, with the sectors presented in alphabetical order.

On the downside, certain long-term vulnerabilities persist. Romania has an aged population, with continued young/skilled labour emigration, high levels of tax evasion, and insufficient quality of (public) health care. Increasing pension and salary costs exacerbate financial pressures. Its at-risk-of-poverty rate has fallen to 19% but Romania remains among the poorest in the EU. Unemployment has fallen to 5.3% overall but labor market participation rates are low especially for minorities, youth, and women. The extent of grey economy remains high. These structural concerns, combined with enduring fiscal shortfalls, complicate the country's long-term growth and stability. Structural reforms and efficient spending of EU funds will be key to ensuring restored growth and addressing longer-term vulnerabilities.

2 ROUTE TO MARKET

This document maps sectors that present specific market opportunities for Virginia exporters. However, business potential in Romania is broader. The Romanian economy is diverse and evolving, offering **opportunities for exporters from almost any sector who bring strong and distinctive value propositions**.

Romania is a member of the European Union and the World Trade Organization (WTO) and is currently an official accession candidate to the Organization for Economic Co-operation and Development (OECD). While not yet a full OECD member, Romania is aligning its policies and regulations with OECD standards as part of the accession process. U.S. companies can approach the Romanian market using the same business principles applicable to other EU member states, benefiting from harmonized standards and legal frameworks.

U.S. companies can access the Romanian market through multiple channels – direct sales to end customers, appointing distributors, establishing subsidiaries or representative offices, acquiring existing local companies, or appointing sales agents (though the latter is less common).

Establishing a local presence through partners, distributors, or representatives fluent in Romanian and familiar with local business customs provides a significant advantage. Local contractors and suppliers with daily operational experience, knowledge of regulatory requirements, and established contacts with decision-makers can better identify and respond to market opportunities.

3 TARGET SECTORS

3.1 AGRICULTURE EQUIPMENT & TECHNOLOGIES

Exporters of agricultural technologies to Romania can capitalize on the country's vast agricultural land, government-backed modernization programs, and the need for mechanization and digital farming solutions**. Key areas include precision agriculture, irrigation systems, renewable energy-powered equipment, and farm management software.** The market is especially promising among larger commercial farms and emerging AgriTech startups, supported by EU subsidies and financing mechanisms.

Highlights

- Significant European producer and exporter
- 23% or EU agriculture workforce
- Dual structure – large number of subsistence-oriented Farms, while large farms hold the majority of agriculture area
- Low level of digitalization and mechanization
- Investments in mechanization and productivity increase
- Ongoing investments in irrigation infrastructure
- Emerging AgriTech start-ups

Romania’s agriculture has a distinctive "dual structure" and significantly differs from mature markets like the United States. The sector **contributes around 4-5% to Romania's GDP and employs a 12% of its workforce** (representing 23% of EU’s total agriculture workforce!), which is a stark contrast to the U.S. where direct on-farm employment is about 1.2% and agriculture contributes less than 1% to GDP. This high employment often reflects **a legacy of small, subsistence-oriented farms**. With an average farm size of merely 4.42 hectares, compared to the U.S.'s average of 463 acres (approximately 187 hectares) in 2022, Romanian agriculture faces challenges in mechanization, productivity, and market integration across its numerous micro-holdings.

While few in number (around 1% of total holdings), larger farms (50+ hectares) manage a significant portion of Romania's utilized agricultural area (over 50% in 2020). Some of these are very large, including the "Braila Great Island," which is one of the largest farms in the EU at around 135,000 acres. These often represent former collective or state farms that have been consolidated. These farms are typically more technologically advanced, market-oriented, and focused on commercial production, often for export. They benefit from better access to capital, machinery, and modern farming techniques.

Romania's agricultural output is largely dominated by **cereals and oilseeds**, making it a significant player in the EU and wider Black Sea region for these commodities. Wheat and maize (corn) are consistently its most important crops in terms of both area and production, followed by barley. Romania is also the **largest producer of sunflower seeds in the EU** and a top producer of soybeans and rapeseed. These staple crops form the backbone of Romania's agricultural exports. For instance, in 2024, cereals alone accounted for USD 3.20 billion in exports, making them a leading export category.

Top Opportunities for US Exporters:

- **Government and EU funding programs**: The Romanian government has allocated around EUR 9.5 billion for agricultural modernization, including subsidies and financing packages aimed at improving productivity and sustainability. This includes funding for precision farming, irrigation systems, and mechanization.
- **Low level of digitalization and mechanization**: Despite the sector's size, Romanian farms have relatively low mechanization and digital technology adoption. This gap creates demand for advanced agricultural machinery, smart farming technologies (such as sensors, drones, AI), and irrigation equipment.
- **Underutilized irrigation infrastructure**: Romania has an extensive network of irrigation canals totaling about 6,200 miles. However, less than 20% of this infrastructure is currently operational, irrigating only around 10% of the 22 million acres of arable land. Much of the canal infrastructure is in disrepair, creating a pressing need for modernization and rehabilitation. The Romanian Ministry of Agriculture and Rural Development has allocated approximately USD 1.6 billion from 2022 to 2027 to upgrade irrigation canals and drainage infrastructure. Additional EU funds are available, including USD 40 million from the Common Agricultural Policy for secondary canal rehabilitation and direct grants of up to USD 540,000 per farm for new irrigation system investments. In 2024, an extra EU aid package of about USD 260 million was approved to support primary plant production, indirectly boosting irrigation demand.
- **Demand for precision and sustainable technologies**: Growing interest in precision agriculture, efficient irrigation, renewable energy solutions (solar and wind-powered irrigation), and sustainable farming equipment to reduce environmental impact and comply with EU directives.
- **Market structure favoring large and medium farms**: While many Romanian farms are small and subsistence-based, larger commercial farms invest in modern equipment and technology to increase efficiency and output.
- **Emerging AgriTech startups and innovation potential**: The presence of FoodTech and AgriTech startups, although still limited, indicates a growing ecosystem for digital agricultural solutions. Exporters can explore partnerships or technology transfer opportunities in this evolving market. Small and medium farms with more than 250 acres represent a smaller but growing segment interested in efficient irrigation solutions.

3.2 DEFENSE & SECURITY

Global Firepower Index 2025

Mărășești frigate, the largest warship ever built in Romania
Source: Wikipedia Commons/Mircea87

Companies looking to export defense technologies to Romania can tap into **the governments strategic push to modernize its armed forces, solid NATO backing, and planned procurement programs funded by state budgets**. Positioned on NATO's eastern flank, Romania's defense sector is at a pivotal stage and is driven by a sharper emphasis on upgrading hardware cooperation and interoperability with Western partners. U.S. businesses may thus find opportunities in next-generation military equipment, cybersecurity solutions, and joint production capabilities aligned with Romania's defense priorities.

The most dramatic development is **Romania's commitment to reach 5% of GDP** defense spending within seven years, a dramatic increase from the **current 2.5% and surpassing the previously stated goal of 3%**. This expanded budget is earmarked for the procurement of modern military equipment and technologies that meet NATO standards, replacing aging Soviet-era systems and revitalizing domestic defense production. **Romania's defense expenditure has surged by 53.3% since 2023, with a projected cumulative spend of USD 46.3 billion for 2025-2029**.

While Romania hosts several state-owned defense enterprises and some legacy production capacity, the most interesting opportunities can be found in large, government-led procurement projects and partnerships with Western suppliers. These often involve NATO capability targets and EU defense initiatives. Romania has secured significant US Foreign Military Financing (FMF) loans (over USD 900 million in 2024, with more anticipated), and leverages EU defense funding for modernization and industry partnerships.

NATO installations and joint initiatives

Mihail Kogălniceanu Air Base (near Constanța): Expanding to become Europe's largest NATO base, covering about 3,000 hectares. Planned capacity: up to 10,000 military personnel and families by 2040. EUR 2.5 billion investment underway to build runways, hangars, schools, hospitals, and full combat support infrastructure.

Deveselu Air Base: Hosts the US-operated Aegis Ashore missile defense system, key for NATO's ballistic missile defense.

Cincu Military Base: Home to the French-led NATO Battle Group Forward Presence (BGFP), currently about 4,000 multinational troops, expanding to brigade size in 2025.

European F-16 Training Center (EFTC): Established in 2023 at the Fetești Air Base, this center serves as a training hub for F-16 pilots from NATO allies and Ukraine.

Joint Initiatives:

- Regular NATO exercises such as Eagle Zori and Dacian Spring enhance readiness.
- US 101st Airborne Division and other NATO forces conduct joint training and operations.
- Romania is a critical NATO eastern flank hub, strengthening deterrence in the Black Sea region.

For example, the country plans to access a special EU loan designed to help member states invest in defense, featuring a 40-year repayment schedule and a 10-year grace period. The European Union has approved the creation of the SAFE instrument, an EUR 150 billion European arms fund supporting member states investing in defense industrial production through common procurement. Additionally, EU countries reached a deal on a EUR 1.5 billion EU scheme to fund defense investments in June 2025.

Romania's domestic defense industry strategy, embodied in the **Armata 2040 program**, targets a flexible, multi-domain force structure by 2040, with phased modernization and technology integration. **Romarm**, the largest state-owned defense group with 15 subsidiaries, leads in domestic production, but the government increasingly supports SMEs through centers of excellence and digital matchmaking platforms to foster innovation and joint ventures.

Romania's comprehensive support for Ukraine highlights significant opportunities for US defense and technology providers as well. In 2024, Romania's total **arms and ammunition exports to Ukraine reached USD 715.9 million**, including TAB-71 armored personnel carriers, APR-40 multiple rocket launchers, howitzers, 122mm and 152mm shells, grenade launchers, and machine guns. Romania also donated a Patriot air defense system to Ukraine in September 2024, valued at approximately USD 300 million, which was replaced through NATO cooperation. Additional support included transfers of CA-95 short-range air defense systems and other Soviet-era platforms. Romania hosts the European F-16 Training Center at Fetești, where Ukrainian pilots train on F-16 fighter jets. Beyond military aid, **Romania plays a vital logistical role, facilitating the export of Ukrainian grain and transit of defense supplies**. A 10-year security cooperation agreement signed in July 2024 formalizes Romania's commitment to continued military, economic, and security assistance for Ukraine.

Cybersecurity

Romania is rapidly **emerging as a key cybersecurity hub within NATO**, driven by strategic investments and a robust national framework. The country's National Cybersecurity Strategy 2022-2027 and the presence of the European Cybersecurity Industrial, Technology and Research Competence Centre (ECCC) in Bucharest underscore Romania's growing importance in European digital defense. Romania's defense modernization strategy allocates over **2% of its defense budget specifically for research, development, and innovation (RDI), with a significant share directed toward cybersecurity and artificial intelligence capabilities**. Additionally, the implementation of the NIS2 Directive will expand cybersecurity requirements to cover 12,000–15,000 entities, further increasing demand for robust cyber defense technologies. Major digital initiatives include a government cloud migration project valued at USD 180 million to enhance secure communications and data protection.

Procurement priorities

Land Systems

- **Tracked and Wheeled Combat Vehicles**: Armored Personnel Carriers, Main Battle Tanks, Infantry Fighting Vehicles
- **Artillery Systems**: MLRS, self-propelled 155mm and 105mm howitzers with ammunition
- **Individual and Squad Equipment**: NATO-compatible weapons, CBRN protection systems, portable antitank missiles

Air Defense and Aviation

- **Combat Aircraft**: 5th generation fighter jets (F-35A program)
- **Air Defense Systems**: SHORAD/V-SHORAD, MANPAD systems, Patriot air defense
- **Helicopters**: Medium and heavy helicopters

Unmanned Systems

- **MQ-35A V-BAT:** Acquisition of **12 MQ-35A V-BAT drones** from the US (initial units donated) specifically for enhanced maritime surveillance and reconnaissance in the Black Sea, leveraging their VTOL and ISR features.
- **UAS Class 2 & 3:** Active procurement of various **UAS Class 2 and 3** systems for broader tactical reconnaissance, target acquisition, and operational support for ground forces.
- Significant investment in **Counter-UAS (C-UAS) systems** to defend against drone threats
- Supporting Infrastructure: **Ground Control Stations (GCS)**, **maintenance and repair facilities** for operational readiness, **comprehensive training programs** for pilots, operators, and maintenance personnel, **advanced data exploitation systems** to process and disseminate intelligence gathered by ISR drones.

Naval Systems

- **Combat Ships**: Frigate modernization, multifunctional corvettes, missile fast attack boats
- **Support Vessels**: Special operations support, harbor tugs, logistics ships

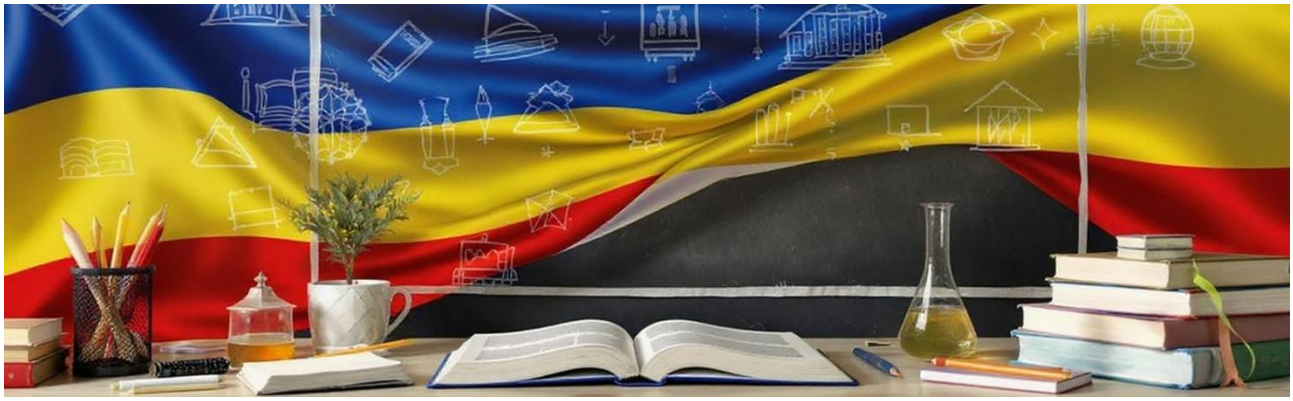
Command, Control, and Intelligence

- **C5ISR Systems**: Integrated communication systems, satellite communication (SATCOM)
- **ISR Systems**: Static and mobile systems, optical equipment, radars
- **Cybersecurity**: Network security systems, electronic warfare capabilities

Top Opportunities for US Exporters

- **Advanced military platforms:** High demand for 5th-generation fighter jets, air defense systems, armored vehicles (including Abrams tanks), and ISR (intelligence, surveillance, reconnaissance) technologies.
- **Ammunition and munitions production:** Romania is investing in new production facilities, including a US-backed center of excellence for large-caliber ammunition, with export potential across Europe.
- **Cybersecurity and digital Defense:** Strong focus on digital transformation, including cybersecurity, C4ISR, and artificial intelligence. US firms with expertise in these areas are well positioned.
- **Joint ventures and technology transfer:** Romania encourages joint production and technology transfer, especially with US partners, to boost local industry and meet offset requirements.
- **R&D and innovation:** Increased funding for defense R&D and innovation creates opportunities for collaborative projects, especially in advanced electronics, unmanned systems, and dual-use technologies.

3.3 EDUCATION & TRAINING



Romania is currently is undergoing its most ambitious reform in decades, driven by the **2023 Law on Pre-University Education and the national "Educated Romania" initiative**. The reform package aims to raise quality, equity and labor-market relevance through curriculum renewal, teacher professionalization and large-scale digitalization – particularly in disadvantaged and rural areas where the quality of educational outcomes tends to lag. Key changes include the move from semesters to modular education, continuous assessment instead of exams, and more freedom for schools in what they teach. **Digital education is expanding, with pilot projects in standardized testing and increased ICT use in classrooms.**

Despite Romania's economy growth, the education system faces **challenges such as high early school leaving rates** (about 16.6% in 2023, the highest in the EU), rural-urban disparities, and **low tertiary enrollment** (around 27%, well below the EU average). Adult participation in organized learning rose but is still low at **4.9% in 2024** (EU avg 10.8%)—well below Romania's 12% target for 2027. Tertiary attainment among 25-34-year-olds stands at about 23% (EU avg 42%). Public expenditure on education increased yet reached only **3.3% of GDP in 2023**, the second-lowest share in the EU. To tackle these issues, the government is increasing investment and leveraging EU funds through the National Recovery and Resilience Plan (NRRP) to modernize infrastructure, improve teacher training, and support inclusive education.

Romania-US collaboration is strong – The Romanian-U.S. Fulbright Commission (est. 1993) facilitates educational and cultural exchanges and provides scholarships to candidates nationwide. Over 3,000 Romanian and U.S. students, professors, and researchers have participated in its programs.

Adult Education and Workforce Training

The **Adult National Training Strategy 2023-27** seeks to quadruple participation to 12%, prioritizing green and digital skills, social inclusion and work-based learning. Employers already organize 56.7% of up-skilling courses. Dual VET has expanded to 15,161 learners (2023) and now extends into 18 dual-bachelor programs, with 29 regional consortia coordinating companies, schools and local authorities.

Vocational education and training (VET) reforms emphasize dual education models, combining academic study with practical work experience, now extended to tertiary levels. Regional consortia link employers, schools, and authorities to support apprenticeships and skills development. Corporate training demand is growing in areas such as digital skills, management, and green technologies.

Research at Universities

Romanian universities are strengthening research capacity under the National Research, Innovation and Smart Specialisation Strategy 2022–2030. **Key priorities include developing centers of excellence, increasing doctoral graduates, and fostering academia-industry collaboration**.

Flagship research areas include:

- **Artificial Intelligence and digital technologies:** The Romanian Artificial Intelligence Hub (HRIA), led by Politehnica University of Bucharest, focuses on AI research and open-source models.
- **STEM Fields:** Engineering, biotechnology, environmental sciences, and health technologies.
- **Health and clinical research:** Improving medical technologies and healthcare outcomes.
- **Social sciences and humanities:** Addressing governance, education, and social inclusion challenges.
- **Bioeconomy and circular economy:** Sustainable agriculture and bio-based industries.

Largest Universities in Romania

- Babeș-Bolyai University: 41,000+
- University of Bucharest: 30,000+
- Bucharest University of Economic Studies (ASE): 23,000+
- Alexandru Ioan Cuza University: 23,000+
- Gheorghe Asachi Technical University: 17,000+
- Technical University of Cluj-Napoca: 12,500+
- Politehnica University of Bucharest: 12,000+

Top Opportunities for US Exporters

- **Digital-Education platforms & content:** NRRP allocates EUR 98 million (**USD 115.0 million) for e-grade books, virtual libraries and adaptive assessment**; EduLib hosts 3,600+ vetted digital lessons. US ed-tech firms can integrate AI analytics and SCORM-compliant content.
- **SmartLab & STEM infrastructure: Government will outfit 1,950 SmartLabs** in every upper-secondary school, plus maker spaces in children's clubs. Demand for 3D printers, VR kits, robotics, sensors and furniture is immediate.
- **Teacher training & professional development**: The CRED program has already trained 55,000 teachers in competency-based pedagogy and digital resources. New teacher career standards under the 2023 law require certified CPD, creating a continuous market for US providers of micro-credentialled PD.
- **Curriculum & assessment services:** Shift to modular learning and continuous assessment opens space for US expertise in standards-aligned curricula, item banks and psychometrics. Pilot digital testing platforms are funded through NRRP digitization lines.
- **Dual-education & vocational education and training (VET) solutions:** Expansion to tertiary dual degrees and 29 regional VET consortia drives demand for apprenticeship-management platforms, simulators and industry-grade equipment.
- **Adult and corporate training:** Low adult-learning baseline (4.9%) plus Strategy 2023-27 incentives (tax deductions, ESF vouchers) spur procurement of LMS, competency mapping, and green-tech certification suites.
- **Inclusive education solutions:** Law 448/2006 and NRRP inclusiveness criteria require assistive devices, accessible e-content and teacher training for Roma and SEN students; UNICEF and EduacCES pilots provide proof-of-concept for US suppliers.
- **EdTech startups and innovation ecosystem:** Collaboration and technology transfer with Romania's growing EdTech sector.
- **Private school market:** Bucharest and Cluj host expanding IB/Cambridge schools with tuition up to **EUR 20,000 (USD 23,478)** per annum, seeking US textbooks, AP curricula, faculty exchanges and student-management systems.
- **AI & research partnerships:** HRIA's **EUR 65.25 million (USD 76.6 million)** budget covers GPUs, robotics and applied-research contracts; US universities and tech firms can license tooling, co-author projects and supply advanced lab instrumentation.
- **Bilateral programs & dual diplomas:** Existing Fulbright network and rising Ministry co-financing ease market entry for US high-schools and colleges to deliver dual-diploma or Pathway programs.

3.4 ENERGY

Romania's energy sector is undergoing rapid transformation driven by ambitious government targets, EU climate commitments, and the strategic push to diversify its energy mix away from coal and fossil fuels. With renewables already contributing more than 40% of the power supply, and with ambitious plans to continue expansion, the market provides substantial **opportunities for US exporters of renewable energy technologies, energy storage, grid modernization, and clean energy infrastructure**.

Romania plans to add approximately 2,500 MW of new power capacity in 2025, doubling the 1,200 MW installed in 2024. This expansion includes the commissioning of major gas-fired power plants such as the 430 MW Iernut facility and the restart of the 1,750 MW Mintia plant, alongside renewable projects totaling 1,200–1,500 MW supported by the National Recovery and Resilience Plan (NRRP). Battery energy storage capacity is also expected to double, reaching 400–500 MWh.

The government's **recently adopted Energy Strategy 2025–2035 outlines a roadmap centered on energy security, low-carbon energy, energy efficiency, affordability, market efficiency, and digitalization**, including smart grid development and cybersecurity. Romania intends to phase out its coal-based power plants by 2032 and to increase nuclear power capacity through new reactors at the Cernavodă nuclear plant. The 2023 Hydrogen Law further fosters opportunities in renewable and low-carbon hydrogen technologies.

Oil & Gas

Romania is the second-largest natural gas producer in the European Union, with sizeable reserves both onshore and offshore in the Black Sea. The country has a long history of natural gas use and production, which has helped it maintain relatively low dependence on imported gas compared to other EU states. The **Neptun Deep project** in the Black Sea, led by OMV Petrom and Romgaz, is the largest offshore gas development in Romania, expected to start production by 2027 and supply gas to millions of households. The project represents an investment of up to EUR 4 billion and is a cornerstone of Romania's energy independence strategy.

In addition to Neptun Deep, the Midia Natural Gas Development Project by Black Sea Oil and Gas (BSOG) is another important offshore initiative. Romania's natural gas distribution network has expanded significantly over the past three decades, now exceeding 45,000 km, supporting growing domestic consumption and potential export capacity.

Romania is also working to diversify gas supplies through infrastructure projects like the **BRUA pipeline** (Bulgaria-Romania-Hungary-Austria), which connects the country to regional gas markets and supports imports of liquefied natural gas (LNG), including potential supplies from Azerbaijan. While Romania currently lacks an operational LNG terminal on the Black Sea, plans for a terminal at the Port of Constanța remain under consideration, with private investment awaited. A 2022 memorandum of understanding between Romgaz and Azerbaijan's Socar aims to develop an LNG liquefaction and regasification project in the Black Sea, positioning Romania as a future LNG hub.

Renewables

Romania's renewable energy sector has seen **rapid expansion in recent years**, largely due to strong government support, EU funding, and growing investor interest. By the end of 2024, the country reached about **5 GW of installed solar photovoltaic (PV) capacity**, up from 3.2 GW in 2023, which positioned solar as the fastest-growing renewable sector. The photovoltaic sector alone added approximately 600 MW of new projects in 2024, with expectations to add another 2 GW in 2025 – evenly divided between utility-scale and distributed by prosumers. Over 170,000 prosumers contribute around 2.2 GW of this capacity, showcasing the rapid uptake of self-consumption solar systems.

At the same time, Romania's **wind energy sector is a significant pillar** of the renewable mix, with over 30% of the country's energy generated by wind turbines. In 2024, Romania laid the groundwork for offshore wind energy development with the approval of the Offshore Wind Energy Law which **envisions the installation of between 3 and 7 GW of offshore wind capacity by 2032.** Finally, Hydropower remains a steady contributor, accounting for roughly 20% of renewable electricity generation. Combined with nuclear power from the Cernavodă plant, a total of **82% of Romania's electricity is now produced from low- or zero-emission sources**.

Top Opportunities for US Exporters

- **Utility-scale solar and wind power:** Romania is rapidly expanding its solar and onshore wind capacity, with a second Contracts for Difference (CfD) auction planned in 2025 for 3,472 MW (2,000 MW wind and 1,472 MW solar). There is strong demand for advanced turbines, photovoltaic panels, inverters, and project development expertise.
- **Battery Energy Storage Systems (BESS):** To support renewable integration and grid stability, Romania plans to double its battery storage capacity. Standalone BESS projects are gaining traction, backed by state-aid schemes and financing from the Modernization Fund.
- **Grid modernization and smart grids:** Investments in upgrading transmission and distribution infrastructure, digitalization, and cross-border interconnectors are priorities. Technologies that enable grid flexibility, real-time monitoring, and cybersecurity are in demand.
- **Green hydrogen and decarbonization technologies:** The 2023 Hydrogen Law supports the integration of renewable and low-carbon hydrogen in industry and transport, creating a nascent market for hydrogen production, storage, and utilization technologies.
- **Oil & Gas development and infrastructure**: Romania is a key natural gas producer in the EU, with major offshore projects like Neptun Deep (production starting 2027) and Midia driving demand for advanced drilling, production technologies, and pipeline infrastructure. Expansion of the gas distribution network and regional pipelines such as BRUA enhance import/export capabilities. Although oil production is declining, **Romania's five active refineries** require modernization and offer opportunities in refining technologies and oilfield services.
- **Smart metering**: A large-scale rollout of approximately 2 million smart meters is underway, led by major distribution operators like Retele Electrice Romania. This initiative supports enhanced grid flexibility, remote meter reading, and consumer engagement, backed by regulatory support from ANRE and aligned with EU directives. Opportunities exist in supplying advanced metering infrastructure, data analytics platforms, and cybersecurity solutions.
- **Drone monitoring and advanced inspection**: Romania is increasingly adopting drone technologies for inspecting energy infrastructure such as power lines, pipelines, and renewable assets. US firms specializing in drone hardware, AI-powered inspection software, and integrated monitoring services can capitalize on this emerging demand to improve asset management and maintenance efficiency.
- **Local production and manufacturing:** Romania is investing in domestic production of photovoltaic panels, batteries, and energy equipment, offering partnership and investment opportunities for US companies willing to engage in technology transfer and local manufacturing.

3.5 HEALTHCARE

Romania's healthcare sector is undergoing significant transformation, driven by government reforms, increased funding, and rising demand for quality medical services. While the **public system remains dominant, it is underfunded, challenged by workforce shortages, and hampered by outdated infrastructure**. The **private healthcare sector is expanding rapidly**, fueled by an increasingly affluent middle class seeking better service quality and shorter waiting times. Private healthcare revenues reached approximately EUR 2.5 billion in 2023, marking an **18% increase over the previous year and a fivefold growth over the past decade**. This dynamic creates diverse opportunities for US exporters in medical equipment, digital health, infrastructure development, and professional training.

Romania's **public healthcare system covers about 80% of services**, funded mainly through the National Health Insurance House (NHIH), with public health expenditure at roughly 4.6% of GDP – well below the EU average of 6%. Despite this, the public system struggles with aging facilities, limited resources, and staff shortages, especially in rural areas. Patient dissatisfaction and informal payments remain concerns.

In contrast, the **private healthcare sector now accounts for over 50%** of healthcare units, including hospitals, clinics, diagnostic centers, and dental practices. The sector's **turnover represents about 0.7% of Romania's GDP**, with investment doubling over the past decade to 0.2% of GDP. Private providers such as **MedLife, Regina Maria, and Medicover** lead the market, pursuing consolidation strategies and expanding into underserved regions.

Key drivers

- **Rising Middle Class and Income:** GDP per capita has grown steadily, increasing healthcare affordability and demand for premium services.
- **Patient Preference**: Approximately 70% of Romanians seeking medical services choose private facilities for outpatient consultations.
- **Private Health Insurance**: The voluntary health insurance market grew to over RON 800 million (USD 175 million in gross written premiums in 2023, a 21.5% increase y-o-y), largely driven by employer-sponsored plans covering over 700,000 insured individuals.
- **Digital Health Adoption:** Telemedicine consultations accounted for 0.5% of private consultations in 2021 and the connected healthcare market is projected to grow at a CAGR of 28.65% through 2030.

Key challenges

- Underfunding and infrastructure deficits in the public system.
- Workforce shortages and migration of healthcare professionals.
- Informal payments persist, affecting equity and transparency.
- Regional disparities in healthcare access and quality.
- Limited public funding for dental and outpatient services.
- Fragmentation and underutilization of primary and outpatient care, contributing to high avoidable mortality rates, which remain about 2.5 times higher than the EU average.

US investment in Romania's healthcare sector: focus on advanced MedTech

US companies have indeed taken note of the promising private healthcare sector. A key example of US-linked investment and technology adoption in Romania's healthcare is **MedLife**, the country's largest private healthcare network. MedLife has made substantial investments in cutting-edge medical technologies, positioning itself as a leader in robotic-assisted surgeries and digital innovation – for example, in October 2024, Medlife announced a **USD 4 million investment in surgical robotics**, introducing advanced robotic systems that assist surgeons and improve precision, reduce recovery times, and enhance patient outcomes.

Top Opportunities for US Exporters

- **Medical equipment and technologies:** The modernization of private and select public facilities fuels demand for advanced diagnostic imaging, surgical equipment, laboratory instruments, and therapeutic devices. MedLife's multi-million-euro investments in surgical robots exemplify is a prime example.
- **Digital health and telemedicine:** Growing adoption of telehealth platforms, electronic health records (EHR), AI diagnostics, remote patient monitoring, and health data analytics creates opportunities. Telemedicine is expanding rapidly for chronic disease management and preventive care.
- **Private healthcare infrastructure development:** The number of private healthcare companies tripled **from 3,400 in 2014 to over 10,800 in 2023**, with employment doubling to over 40,000. Expansion and upgrading of hospitals, specialty clinics, and diagnostic centers require construction, equipment, and facility management technologies.
- **Training and capacity building:** Addressing workforce shortages and improving clinical and managerial skills through professional development, certification programs, and e-learning platforms is a priority for private providers.
- **Pharmaceuticals and clinical trials:** Romania's favorable regulatory environment and growing clinical research infrastructure attract pharmaceutical companies and CROs for trials and market expansion.
- **Primary care and chronic disease management:** Technologies and programs supporting integrated care, patient self-management, and medication adherence are increasingly needed.

3.6 ICT / DIGITAL

Romania's Information and Communication Technology (ICT) sector is a rapidly expanding part of its economy, supported by a skilled workforce, strategic geographic position, and government initiatives focused on digital transformation. The country benefits from robust digital infrastructure, including some of the fastest internet speeds in Central and Eastern Europe, which underpins advanced digital services and innovation. Additionally, Romania has become an increasingly important nearshoring destination, attracting international companies seeking access to its growing tech talent pool and favorable business environment.

Key Strengths and Characteristics:

- **Economic Contribution:** By 2023, Romania's ICT sector accounted for approximately **7.5% to 8% of GDP**, with projections targeting growth to **10% of GDP by 2025**, driven by AI, fintech, and IoT expansion. However, in 2024, the sector's contribution to GDP growth **stagnated due to economic headwinds** including fiscal instability, reduced tax incentives for IT professionals, and a slowdown in new contracts.
- **ICT Exports:** Romania's **IT services exports** are projected to reach approximately **USD 49.3 billion by 2028**, up from USD 27.4 billion in 2023, marking an average annual growth rate of 9.1%.
- **Talent Pool:** Romania has an ICT workforce of approximately **221,600 professionals** as of 2024, representing 2.6% of total employment. The country ranks high globally for certified IT specialists per capita, surpassing the U.S. in this metric. Major IT hubs include Bucharest (generating 63% of IT revenue), **Cluj-Napoca – often called the "Silicon Valley of Romania" due to its vibrant tech ecosystem and concentration of IT companies —** and Iași, with Timișoara and Sibiu also emerging.
- **Main IT Sectors:** Key areas of focus includes development, fintech, AI/ML, IoT, cybersecurity, healthcare tech, e-commerce.
- **Government Support:** The Romanian government actively supports digital transformation. The PNRR Digitalization of SMEs program offers grants for digitalization projects. The National Recovery and Resilience Plan (NRRP) allocates approximately **USD 6.4 billion** (21.8% of the total plan) for digitalization efforts, including migrating at least 30 key government IT systems to a Government Private Cloud by June 2026, backed by a **USD 195 million** migration procurement launched in early 2025.
- **Startup Ecosystem:** Romania's startup ecosystem continues to grow, with Bucharest, Cluj-Napoca, Timișoara, and Iași as prominent hubs. In 2024, Romanian startups raised a record **USD 179 million**. Success stories like UiPath highlight the potential for global scalability.

While local IT spending, particularly by Romanian SMEs, remains lower than in more mature European markets, increasing demand for IT solutions across industries like retail, insurance, and manufacturing indicates a promising growth trajectory.

Key sectors driving ICT opportunities

Cybersecurity

Romania, as a NATO and EU member, plays an increasing role in regional and international cybersecurity. Its geopolitical position heightens its awareness of cyber threats. The Romanian Cybersecurity Strategy (2022-2027) outlines objectives for secure IT networks, a strengthened regulatory framework, and robust public-private partnerships. In 2024, Romania adopted new regulations (Emergency Ordinance No. 155/2024) to further strengthen cybersecurity frameworks. There is a continuous drive to invest in advanced cybersecurity solutions for critical infrastructure and public administration.

Data Centers and Cloud Services

Demand for cloud services and data processing is driving significant growth in Romania's data center market. The country currently hosts **59 cloud and colocation data centers** with under 100 MW total capacity, and two new projects totaling 40-45 MW are planned for 2024-2025 (worth approximately **USD 550 million**). The colocation market is projected to reach over **USD 1 billion by 2030**, with a compound annual growth rate of 12.2% from 2025 to 2030. The government's large-scale migration of IT systems to a private cloud further solidifies this demand, with over 30 public services expected to be available through the government cloud by the end of 2025.

Artificial Intelligence (AI)

Romania is aligning with EU ambitions to become a global leader in AI. The government approved a National AI Strategy for 2024-2027, aiming for state institutions to extensively use AI for risk analysis, public tenders, and optimizing public spending. Collaboration across academia, business, research, and public administration is a key focus.

5G Connectivity

Romania launched commercial 5G services in 2019. As of mid-2024, it had over 4,300 5G base stations and **2.8 million active 5G connections**. While 5G coverage is concentrated in major urban areas, **coverage remains at 32.8%** (versus the EU average of 89.3%). ANCOM expects 5G to be the most used technology by 2026. The focus for 5G is on the business segment and high-user density areas.

Top opportunities for U.S. exporters

Romania's robust ICT growth and strategic digital initiatives present significant opportunities for U.S. exporters.

- **Cloud computing and data center solutions:** With a projected USD 1 billion data center market by 2030, high cloud adoption rates (83.3% of Romanian executives), and major government investments in cloud migration, opportunities exist for cloud platforms, IaaS, PaaS, and data center equipment and services.
- **Cybersecurity solutions:** Given Romania's focus on national cybersecurity and its role in regional defense, there is high demand for advanced cybersecurity software, threat detection and prevention systems, and secure network solutions.
- **Artificial Intelligence (AI) technologies:** With the National AI Strategy (2024-2027) and government intent to use AI extensively, opportunities exist for AI software, machine learning platforms, data analytics tools, and AI-powered automation solutions across public administration, healthcare, and other sectors.
- **5G Infrastructure and services:** As 5G coverage expands, particularly in urban and high-density areas, U.S. companies can find opportunities in 5G network equipment, specialized 5G applications for businesses, and related services.

- **Software development and IT services:** Leveraging Romania's large and skilled IT talent pool, opportunities exist for software development tools, enterprise software, custom software solutions, and IT outsourcing partnerships. The growth in fintech, gaming, and e-commerce sectors provides specific niches.
- **Digital Transformation Solutions for SMEs:** Despite overall digital progress, many Romanian SMEs lag in technology adoption. Solutions tailored for small and medium businesses, especially those supported by government grants like the PNRR Digitalization of SMEs program, represent a significant market.
- **Digital Skills Training:** With only 27.7% of Romanians having basic digital skills (compared to the EU average of 55.6%), there is a substantial need for educational technology, training platforms, and digital literacy solutions.