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Romania is making intensive efforts to attract Chinese investments

Romania wants to establish closer economic co-operation with China as a consequence of its serious difficulties in obtaining Western financial backing for a number of infrastructural projects of strategic significance for Bucharest. The Romanian government's seven-day visit to Beijing, which ended on 16 August, served this purpose. The Romanian delegation consisted of Prime Minister Emil Boc, the ministers of foreign affairs, the economy, transport and the environment, and culture, and representatives or Romanian business circles.

The main objective of the visit was to attract Chinese investors to the five large infrastructural projects: the construction of the third and fourth blocks at the Cernavoda nuclear power plant; the Tarnita-Lapustesti water power plant; the Danube–Bucharest and Siret–Baragan channels; and of the motorway around Bucharest. The value of each of the investments exceeds 1 billion euros. All the projects are to be implemented according to public-private partnership rules, and the government has had serious problems attracting Western investors to these projects (for example, Germany's RWE, France's GDF Suez and Spain's Iberdrola withdrew from the nuclear power plant development project in January this year).

Bucharest has very good political relations with Beijing, which, however, have not translated into strong economic co-operation thus far. China is among the top twenty investors in Romania, and the total value of Chinese foreign investments did not exceed 750 million euros by the end of 2010. Trade turnovers are also relatively low, reaching approximately US$3.7 billion in 2010 (for comparison: the Polish-Chinese trade exchange reached roughly US$18 billion last year). The Romanian government has traditionally skipped human rights issues in relations with China. This is fully accepted by most opposition parties, which are criticising the government for its failure to sign trade contracts during the visit. <dab>