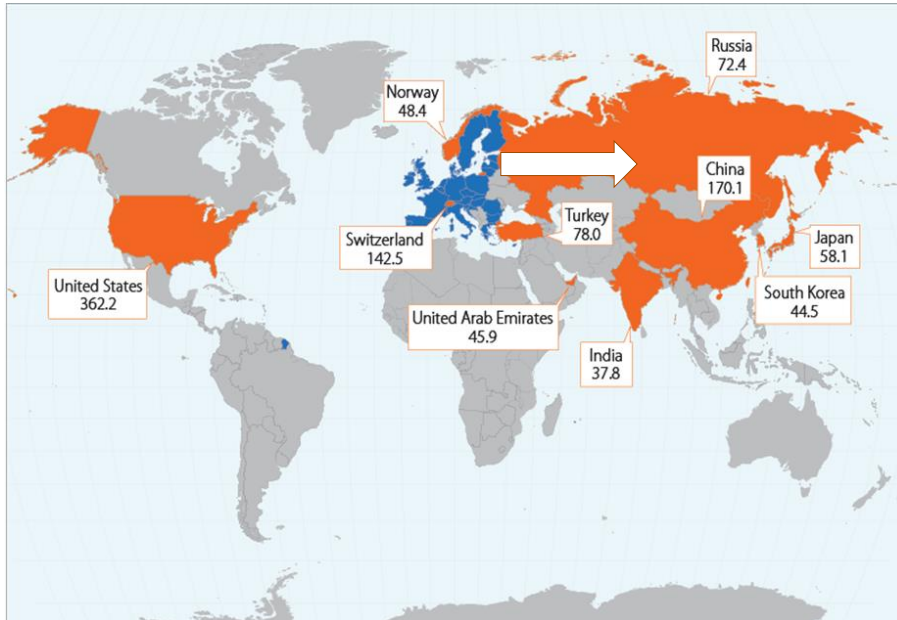


Constanta: A Key Pillar for Romania's Positioning as Gateway on the New Silk Road

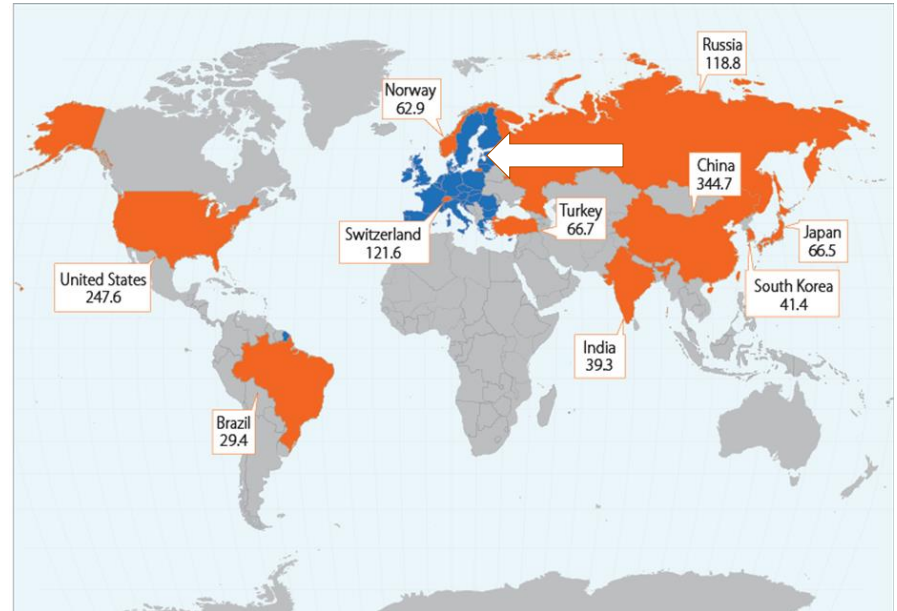


A very large part of EU foreign trade is with Asian countries

Exports of goods from EU, 2016



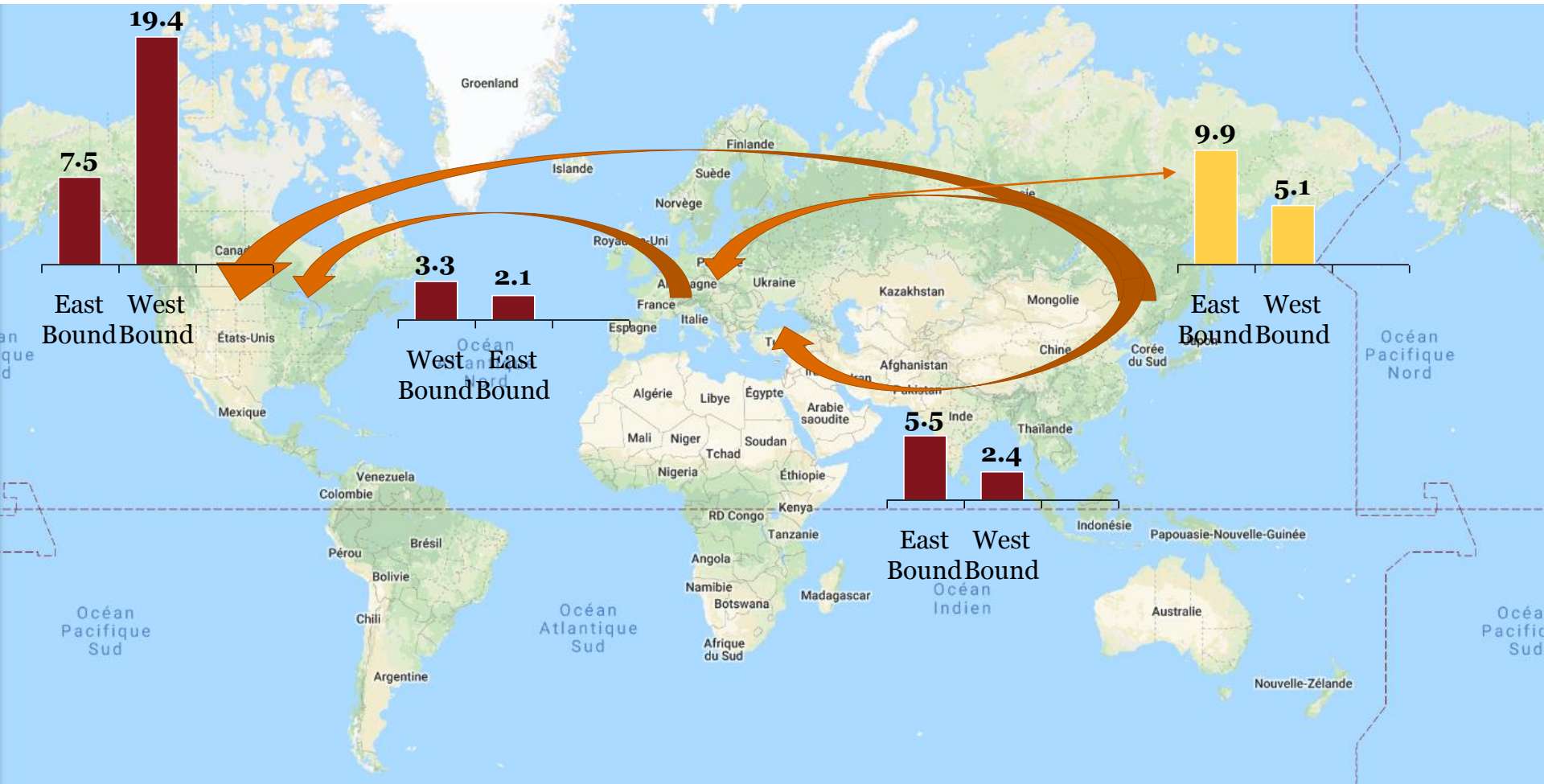
Imports of goods into EU, 2016



- Extra-EU trade flows (imports plus exports) for the whole of the EU-28 were valued at EUR 3 453 billion in 2016, 1.9 times as high as in 2002
- China moved from being the EU's fourth largest export market in 2002 to become its second largest in 2016; on the import side, the share of EU-28 imports originating in China increased from less than one tenth (9.6 %) of the total in 2002 to more than one fifth (20.2 %) by 2016 and by 2005, China had overtaken the United States as the EU's main origin of imports

Between Europe and Asia there is a flow of ~15 M TEU per year, the second largest trade flow between continents globally

Top Trade Routes, M TEU (Twenty Foot Equivalent Unit) Shipped, 2017



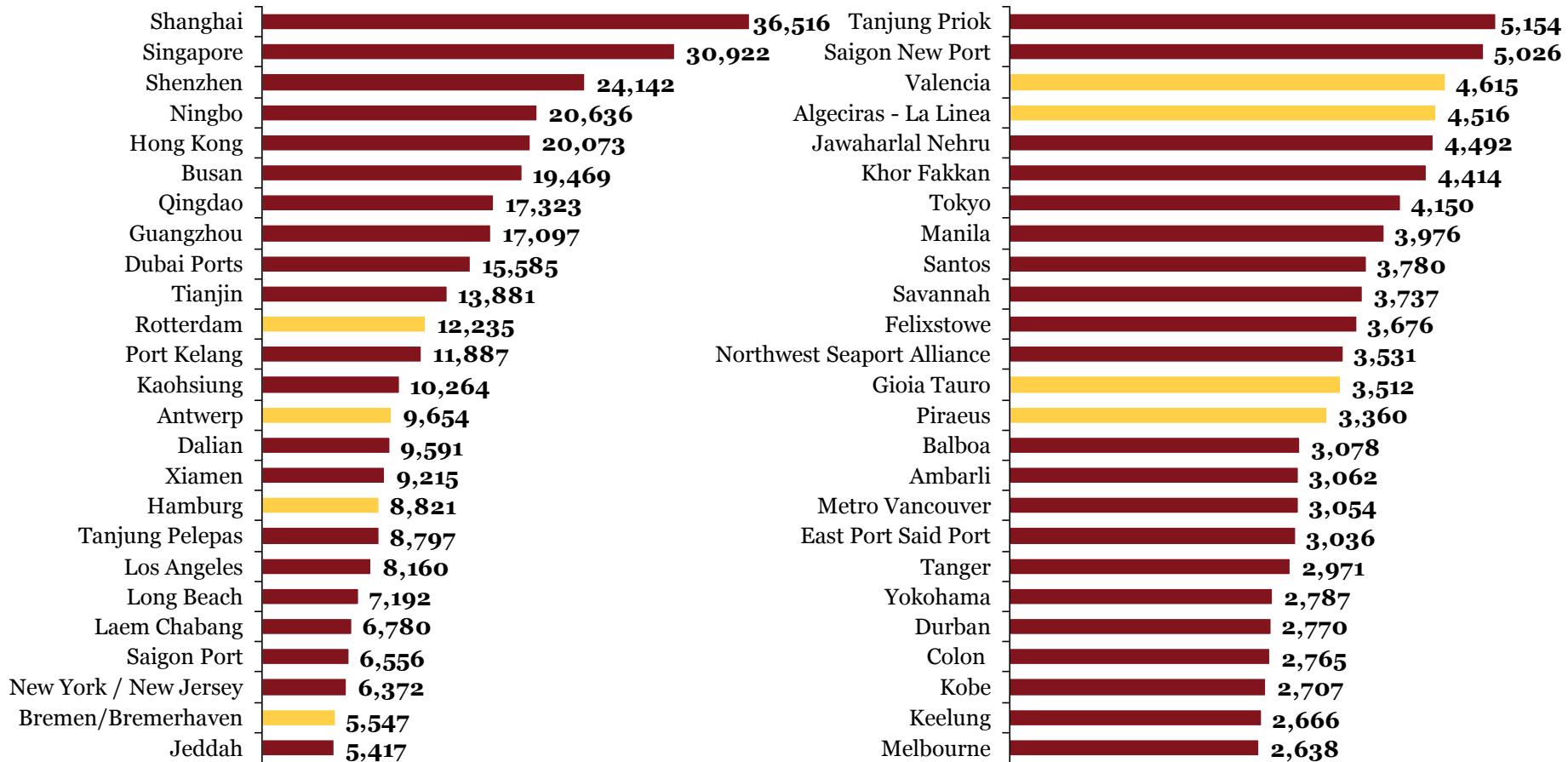
Top 100 ports in the world handled 556 M TEU in 2016, up 2.2%; China continues to account for a large part of the growth

Lloyds' Top 100 Container Ports Report, 2017



China has 8 of the top 10 ports in the world; the largest port in Europe is on the 11th place

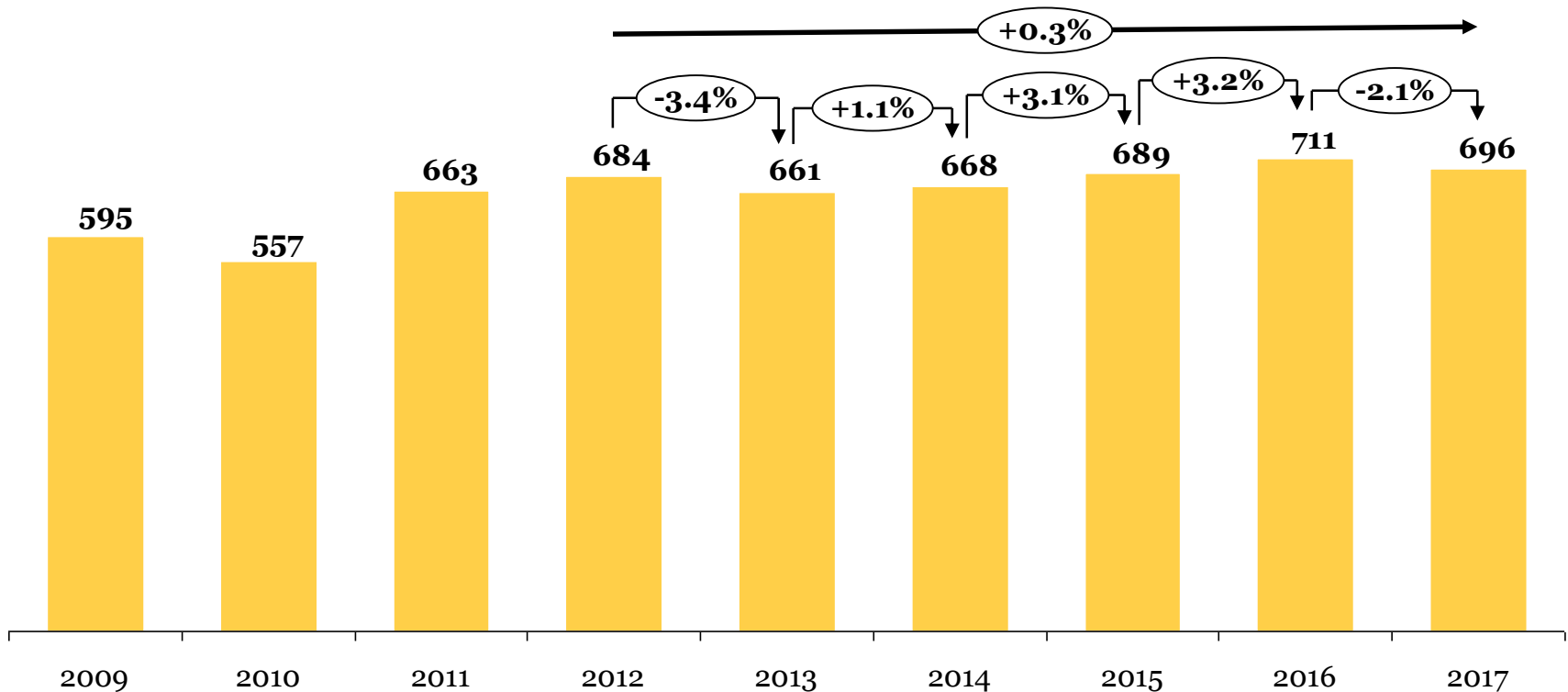
Top 100 Ports in the World, 2015, TEU



Source: Agência Nacional de Transportes Aquaviários - ANTAQ(Brazil), Institute of Shipping Economics & Logistics ; U.S. Army Corps of Engineers' Waterborne Commerce Statistics Center, Secretariat of Communications and Transport (Mexico), Waterborne Transport Institute (China); AAPA Surveys; various port internet sites

Volumes shipped through Constanta stagnated in the 5 past years and the port ranks #134 globally

Volumes Shipped through Constanta, TEU '000

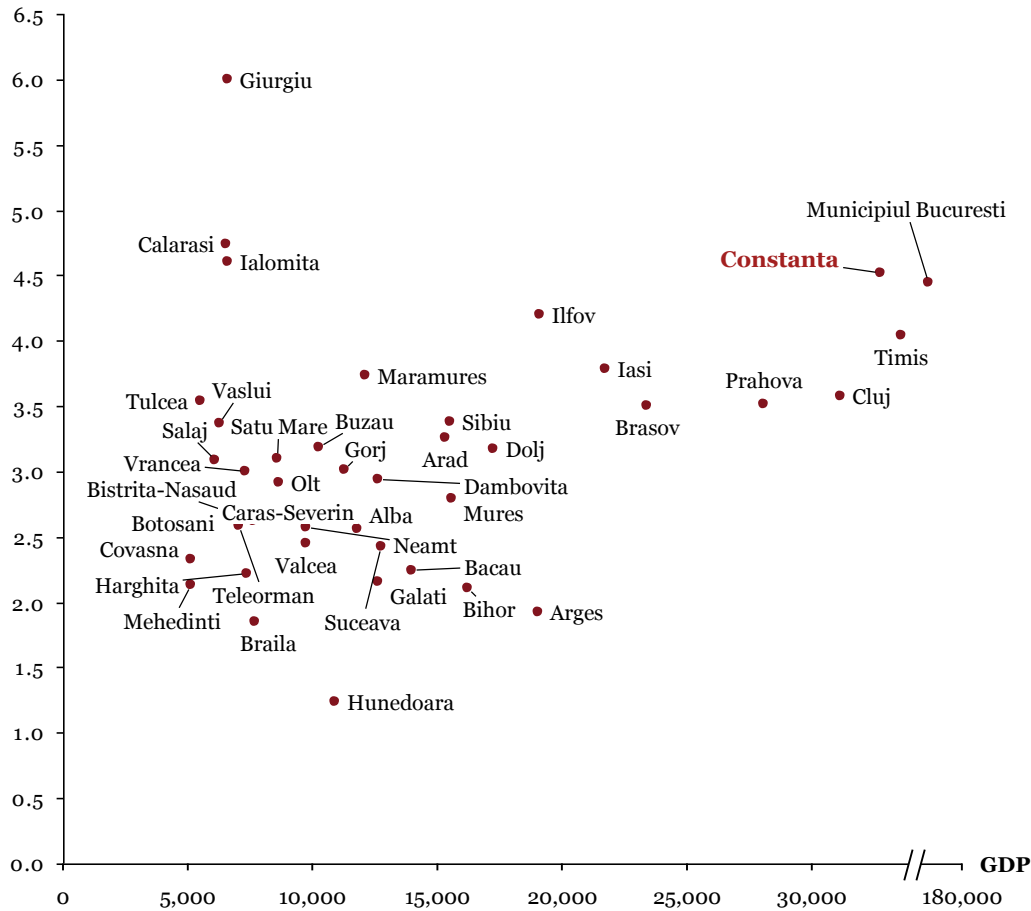


Constanta has 5.5% of Rotterdam and 20% of Piraeus volumes

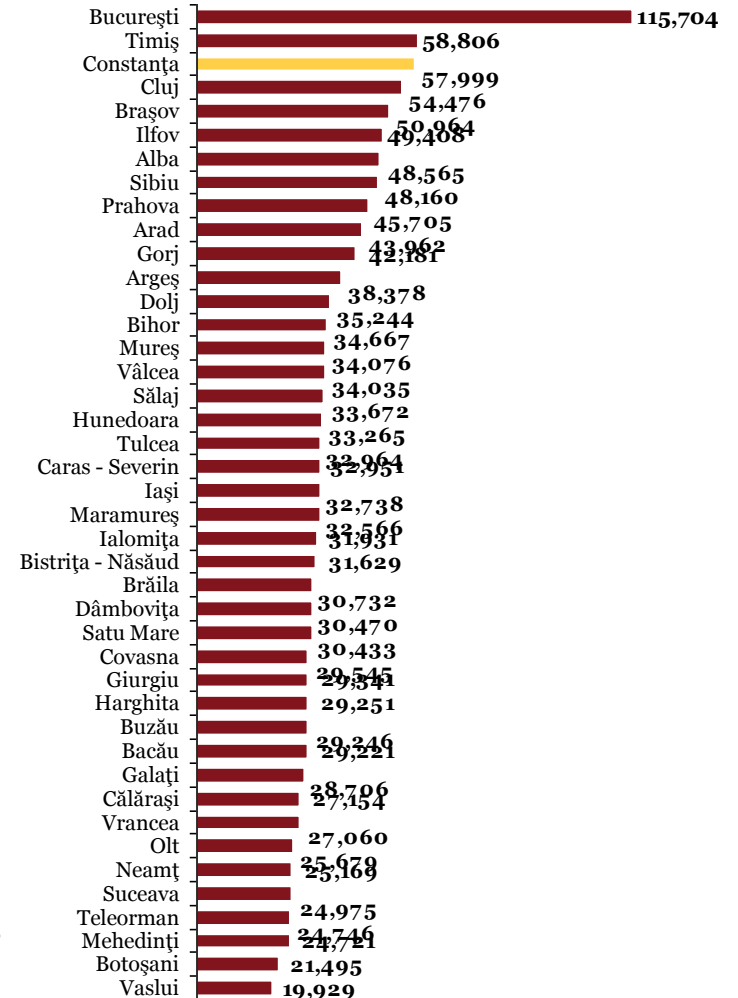
Constanta County has the 3rd best performance in Romania in terms of GDP, GDP growth, GDP per capita

GDP (2015), RON M and GDP Growth (2000-2015)

GDP Growth



GDP per Capita by County, 2017, RON



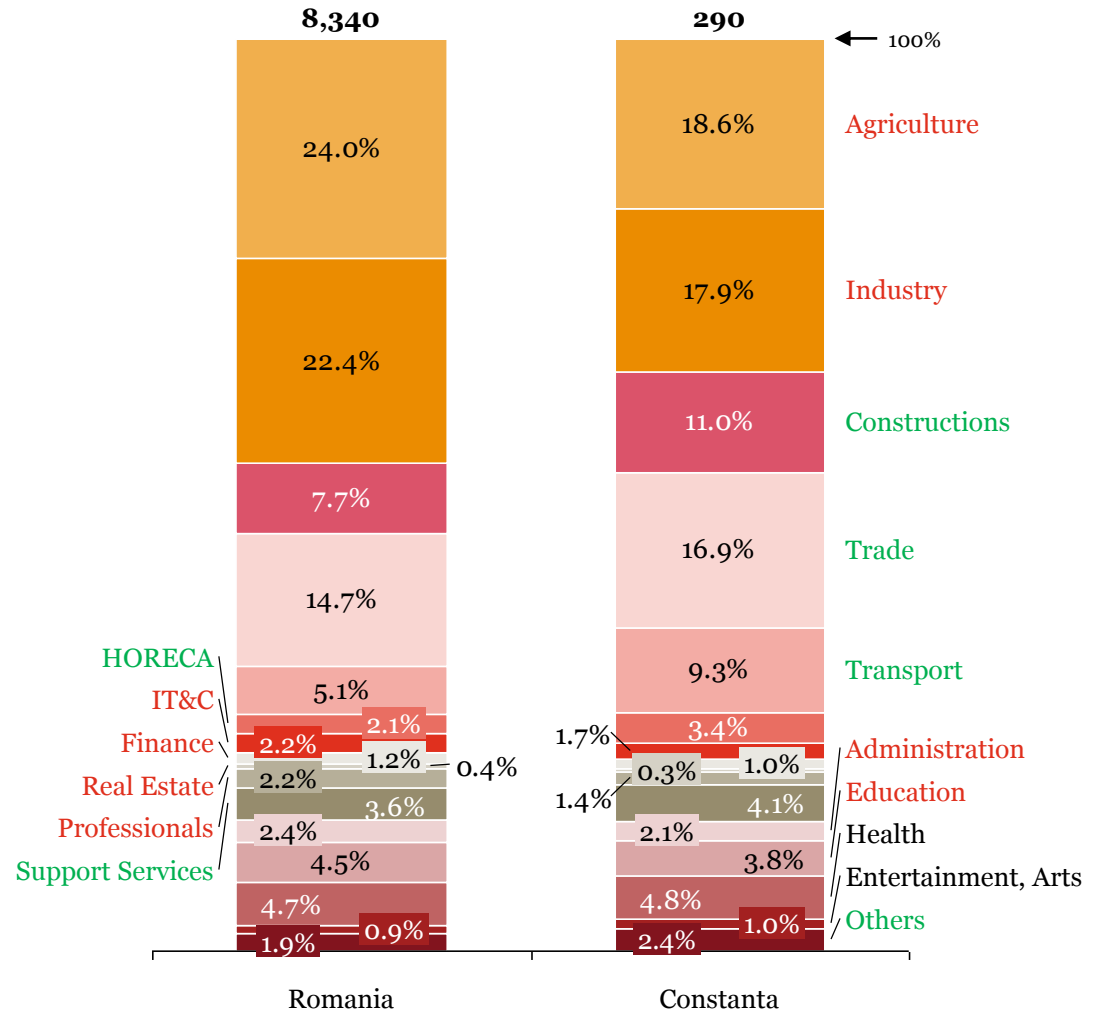
Source: INSSE, CNP

The economy of Constanta County has is driven by shipping, trading and energy

Top Companies in Constanta, 2017

Companie	Profit 2017 (mil. lei)	Sector
1. ROMPETROL RAFINARE	418	Petrol
2. DAEWOO-MANGALIA HEAVY INDUSTRIES	158	Constructii de nave
3. COMPANIA NAȚIONALĂ ADMINISTRAȚIA PORTURILOR MARITIME- CONSTANȚA"	102	Servicii
4. E-DISTRIBUȚIE DOBROGEA	59	Distributia energiei electrice
5. CONSTANTA SOUTH CONTAINER TERMINAL	52	Servicii
6. MARIA TRADING	42	Comerț cu animale
7. AMEROPA GRAINS	34	Comerț cu cereale
8. BIOCHEM	30	Comerț produse agricole
9. CHIMPEX	24	Manipulări
10. CELCO	24	Materiale de construcții
11. NORTH STAR SHIPPING	24	Manipulări
12. STERK PLAST	21	Mase plastice
13. UNITED SHIPPING AGENCY	20	Manipulări
14. UTILNAVOREP	18	Construcții hidrotehnice
15. FOTBAL CLUB VIITORUL	16	Activități ale cluburilor sportive
16. AL KASTAL CHARTERING	16	Comerț cu animale
17. ALNASER	15	Comerț cu animale
18. BRISEGROUP	14	Comerț cu cereale
19. ANDRA INTERNATIONAL	14	Cultivarea cerealelor
20. STOP	13	Comerț cu combustibili

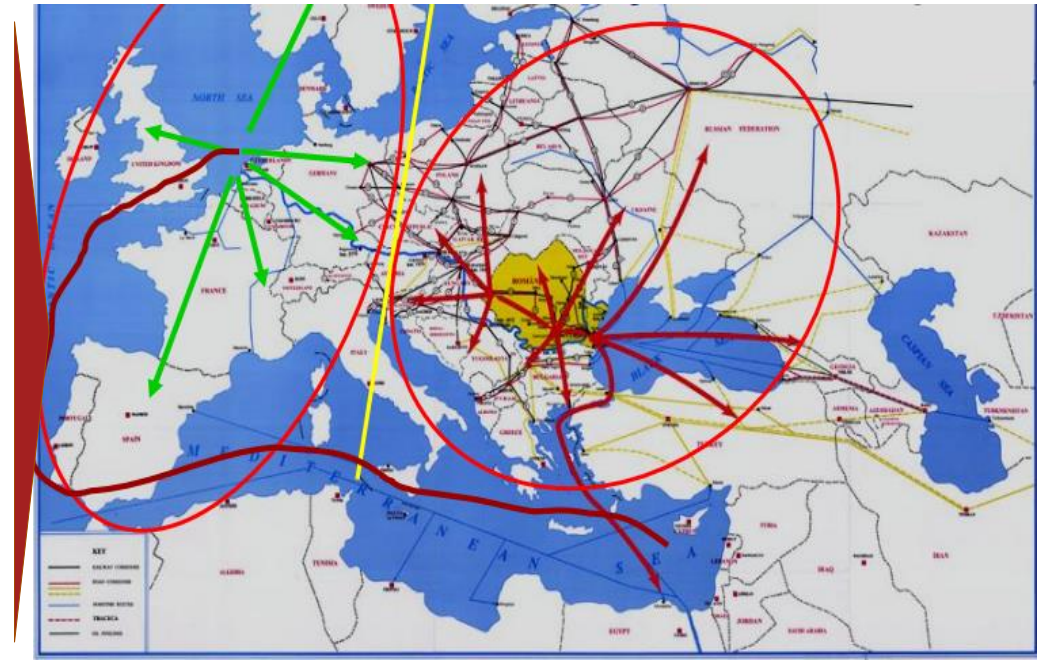
Occupied Population, 2015



Source: INSSE, Ziarul Financiar, Registrul Comertului

Constanta Port can play a key role in realising Romania's potential as a trade and assembly hub of Europe

Naval Routes Alternatives



The geographical position of Constanta Port allows the possibility to **re-direct through Romania the cargo flows that come from Far East** to the North-Western European ports, using the existing transportation network (rail, road, the Black-Sea Danube Channel and the Danube ports) as the basis for developing competitive and efficient inter-modal transport, thus **saving over 2,400 sea miles as compared to current routes**

There are several essential enablers for realising this potential

Potential

- The **New Silk Road** concept can revive the ancient Silk Road via a combination of modern highways, rail links and energy pipelines connecting **Europe, Asia and Middle East**
- In practical terms, Romania needs to leverage the competitive advantages of its **geographical positioning, resources and infrastructure** and become the **East-West Gateway** on the New Silk Road, through strategic investments



Enablers

- 1 *High quality infrastructure, including multimodal / intermodal*
- 2 *Financing*
- 3 *Stable and predictable laws & regulations*
- 4 *Improved fiscal environment (customs, direct & indirect taxes, incentives, income)*
- 5 *Quality of education*

While Romania is crossed by two TEN – T corridors, infrastructure continues to remain a problem

Romania is in a very good position to become a **strategic regional trade and logistics gateway for CEE on the East-West axis**, as it benefits from transportation on sea, river, rail and road, being crossed by two of the **Trans-European Network-Transport (TEN-T)** core corridors defined by EU:

- **The Orient/ East Mediterranean Corridor**, aiming to connect Central Europe with the North, Baltic, Black and Mediterranean seas in terms of cargo flows
- **The Rhine – Danube Corridor**, providing the main east-west link between European Countries and connecting France, Germany, Czech Republic, Slovakia, Hungary, Romania and Bulgaria along the Main and Danube rivers to the Black Sea

The TEN-T Core Network Corridors

