



ROMANIA

State of Play – Winter 2017



MACROECONOMIC SITUATION

No imbalances (no In-Depth Review)

- Significant progress made in addressing macro-economic imbalances in recent years
- Strong growth and rebalancing of the current account helped significantly improve the net international investment position
- Expansionary fiscal policy in the current climate of strong growth could increase vulnerabilities in the medium term
- Labour market improving, poverty declining but still high income inequality and high inactivity rates



PROGRESS ON COUNTRY-SPECIFIC RECOMMENDATIONS

Substantial progress

- in strengthening the National Employment Agency, improving corporate governance of state-owned enterprises

Some progress

- in tackling early school leaving and providing quality education, curbing informal payments in healthcare sector, improving access to integrated public services, diversifying economic activities in rural areas, prioritising public investment projects including transport

Limited progress

- in strengthening financial stability and tax compliance and collection, public administration reform, investment and minimum wage-setting

No progress

- in pension reform and on strengthening the credibility of the fiscal framework



FISCAL SITUATION

- No excessive deficit, but headline deficit projected to breach the 3% of GDP reference value in 2017
- Structural balance estimated to have deviated significantly from the medium-term budgetary objective in 2016
- Public debt below the 60% of GDP reference value

More info at

<https://ec.europa.eu/info/strategy/european-semester/european-semester-timeline/analysis-phase>