

Recent history

Communist rule in Romania ended on Christmas Day 1989 with the execution of dictator Nicolae Ceaușescu. Earlier in the same year, Bulgaria's Communist leader, Todor Zhivkov left office. The events triggered the beginnings of democratic reform and in 1991 both countries adopted new constitutions establishing democratic structures and a market economy. Romania changed its constitution again in 2003 in order to bring its law in line with EU standards. Nonetheless, both countries suffered from a slow pace of economic reform and continued political corruption in the aftermath of communism. Bulgaria in particular suffered severe economic difficulties during the 1990s, which saw 600,000 Bulgarians, many of them qualified professionals, leave the country. However, after applying for EU membership in 1995, it gradually stabilised, particularly between 2001-05, under the leadership of former Tsar Simeon II, Simeon Saksobuggotski. By 2005, the EU was satisfied that both Romania and Bulgaria had embraced sufficient reform for their *Accession Treaties* to be ratified. Both countries became full members of the EU on 1 January 2007.

Bulgaria: key facts



| | |
|--------------------------------|-------------------|
| ❖ Capital | Sofia |
| ❖ Population | 7 million (2014) |
| ❖ % of total EU population | 1.4% |
| ❖ Official languages | Bulgarian |
| ❖ Year of EU accession | 2007 |
| ❖ Currency | Bulgarian lev BGN |
| ❖ Schengen Area member | No |
| ❖ Seats in European Parliament | 17 |

Current government

Romania and Bulgaria are both semi-presidential republics. In both countries, executive powers are shared between the President and the government, which is headed by the Prime Minister. The Presidents of Romania and Bulgaria are directly elected and serve as the Head of State and Commander-in-Chief of the armed forces. However, they cannot initiate legislation, only return laws proposed by Parliament for reconsideration. In Bulgaria, the Parliament is unicameral and consists of 240 deputies, elected every four years. In Romania there are two chambers – the Senate, which has 137 members, and the Chamber of Deputies, which has 332 members.

The current Bulgarian President is Rosen Plevneliev, who was elected in October 2011 and took office in January 2012. The Prime Minister is Boiko Borisov, leader of the centre-right Citizens for European Development of Bulgaria party (GERB), which won the October 2014 general election. This election was called only about a year after the 2013 general election, which resulted in a weak coalition and a series of protests.

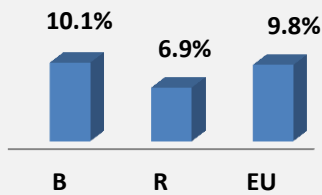
Romania faced political turmoil in 2007 when President Traian Băsescu was accused of 'violating the constitution', but Romanians voted against impeaching him at a referendum in May 2007. Băsescu was re-elected in 2009 following a close presidential election. In November 2014, the current President Klaus Iohannis was elected. The Prime Minister, currently Victor Ponta, was appointed by the President following a vote of no confidence against his predecessor, Mihai Răzvan Ungureanu, in April 2012. Ungureanu's cabinet had only been in place for two months before he lost the vote. Ponta, of the Social Democratic Party, remained in office following the December 2012 election in which his party won an absolute majority in both the Senate and the Chamber of Deputies. He currently leads his fourth cabinet in a coalition with the centre-left National Union for the Progress of Romania, the centre-right Conservative Party and Liberal Reformist Party.

Romania: key facts

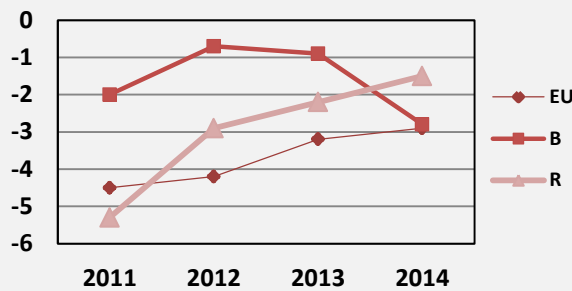


| | |
|--------------------------------|-------------------|
| ❖ Capital | Bucharest |
| ❖ Population | 20 million (2014) |
| ❖ % of total EU population | 3.9% |
| ❖ Official languages | Romanian |
| ❖ Year of EU accession | 2007 |
| ❖ Currency | Romanian Leu RON |
| ❖ Schengen Area member | No |
| ❖ Seats in European Parliament | 32 |

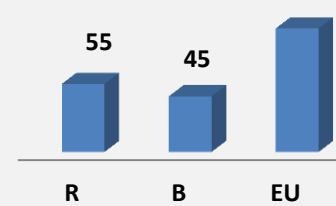
Unemployment rate (2015)



Public budget deficit/surplus



GDP per capita in PPS (2013)



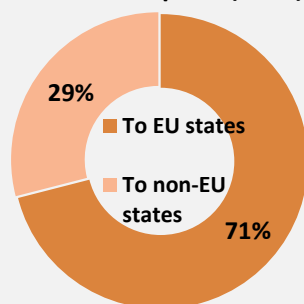
Relations with the EU

When the Commission reached its final decision to admit Romania and Bulgaria into the EU, it was tempered by concern that the countries had not completed necessary reforms. In fact, the Commission has threatened to impose penalties and withhold development funds unless both governments continue necessary reforms to their justice systems, taxation and agriculture. High-level corruption also remains an issue of concern, exemplified by the 2007 debacle in Romania between President Tarieanu and PM Bănescu. In May 2008, EU representatives examined the judicial systems of the two countries and as a result it suspended millions of euros worth of funding to Bulgaria until it reduced its level of corruption. Romania's Labour Minister was sacked for bribery in September 2008. Both countries tend to blame their continued problems on the legacy of communist-era governments and the disruption caused by the Balkan Wars of the 1990s. For example, in March 2009, Romania's President, Traian Bănescu, said that the country's 'huge bureaucracy' stopped EU funds from being used effectively. The EU's main concern is that a failure to address shortcomings on the part of Bulgaria or Romania will undermine the values that the EU itself is supposed to stand for.

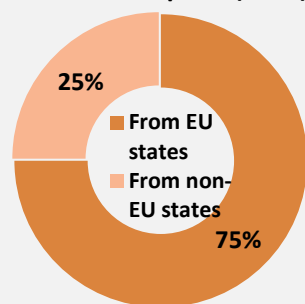
Facts and figures

- ❖ 40.4% of the Romanian population was considered to be at risk of poverty in 2013. This is the highest figure in the EU, where the average across all member states is 24.5%
- ❖ Both Romania and Bulgaria have had above average economic growth since 2007, the year of their accession

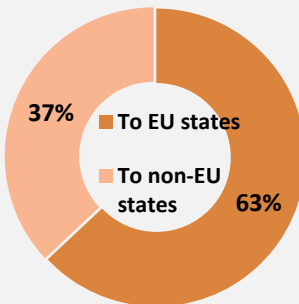
Romanian exports (2015)



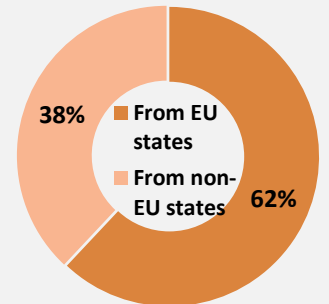
Romanian imports (2015)



Bulgarian exports (2015)



Bulgarian imports (2015)



Technical Terms

- ❖ **Accession Treaty:** treaty endorsing final membership of the European Union. It does not come into force on the day it is signed but on a pre-arranged date.
- ❖ **PPS:** GDP per head is expressed in Purchasing Power Standards (PPS) to eliminate the differences in price levels between countries allowing meaningful volume comparisons of GDP between countries

Links

- ❖ <http://www.government.bg/fce/index.shtml?p=0023&s=001>
- ❖ <http://gov.ro/en/>
- ❖ <http://ec.europa.eu/eurostat>
- ❖ <https://www.cia.gov/library/publications/the-world-factbook/fields/2145.html>
- ❖ http://europa.eu/about-eu/countries/index_en.htm