



LARGE SCALE LAND ACQUISITIONS PROFILE

ROMANIA

This is a country profile which presents the Land Matrix data for Romania and details its' large-scale land acquisitions and transactions that:

- entail a transfer of rights to use, to dispose or own land through sale, lease or concession;
- cover 200 hectares (ha) or more;
- enter into the contract since 2000;
- include deals for agricultural/forestry purposes. Mining operations are excluded.

The objective of this country profile is to present LSLA data at national level to a broad panel of stakeholders, stimulating broad engagement and data exchange, facilitating the continuous improvement of data. The data used in this profile was downloaded on 5 December 2017¹.

¹ Land Matrix Romania database: [click here](#)

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Table 1: Key socio-economic and institutional indicators.

| BASIC SOCIO-ECONOMIC CHARACTERISTICS | |
|---|---------|
| Population (million, 2017) ¹ | 19.6 |
| Total land (million hectares, 2017) ² | 23.8 |
| Total agricultural land (million hectares, 2014) ³ | 59 |
| Total agricultural land (as a % of total land, 2014) ³ | 13.83 |
| Contribution of agriculture to GDP (% , 2016) ⁴ | 4.3 |
| Import of food (% of merchandise import, 2015) ⁴ | 8.84 |
| Export of food (% of merchandise export, 2015) ⁴ | 10.4 |
| INSTITUTIONAL VARIABLES | |
| Political stability rank ⁴ | 0.51 |
| Voice accountability rank ⁴ | 0.27 |
| Government effectiveness rank ⁴ | -0.17 |
| Control of corruption rank ⁴ | -0.0009 |
| Investor protection rank ⁴ | 39 |

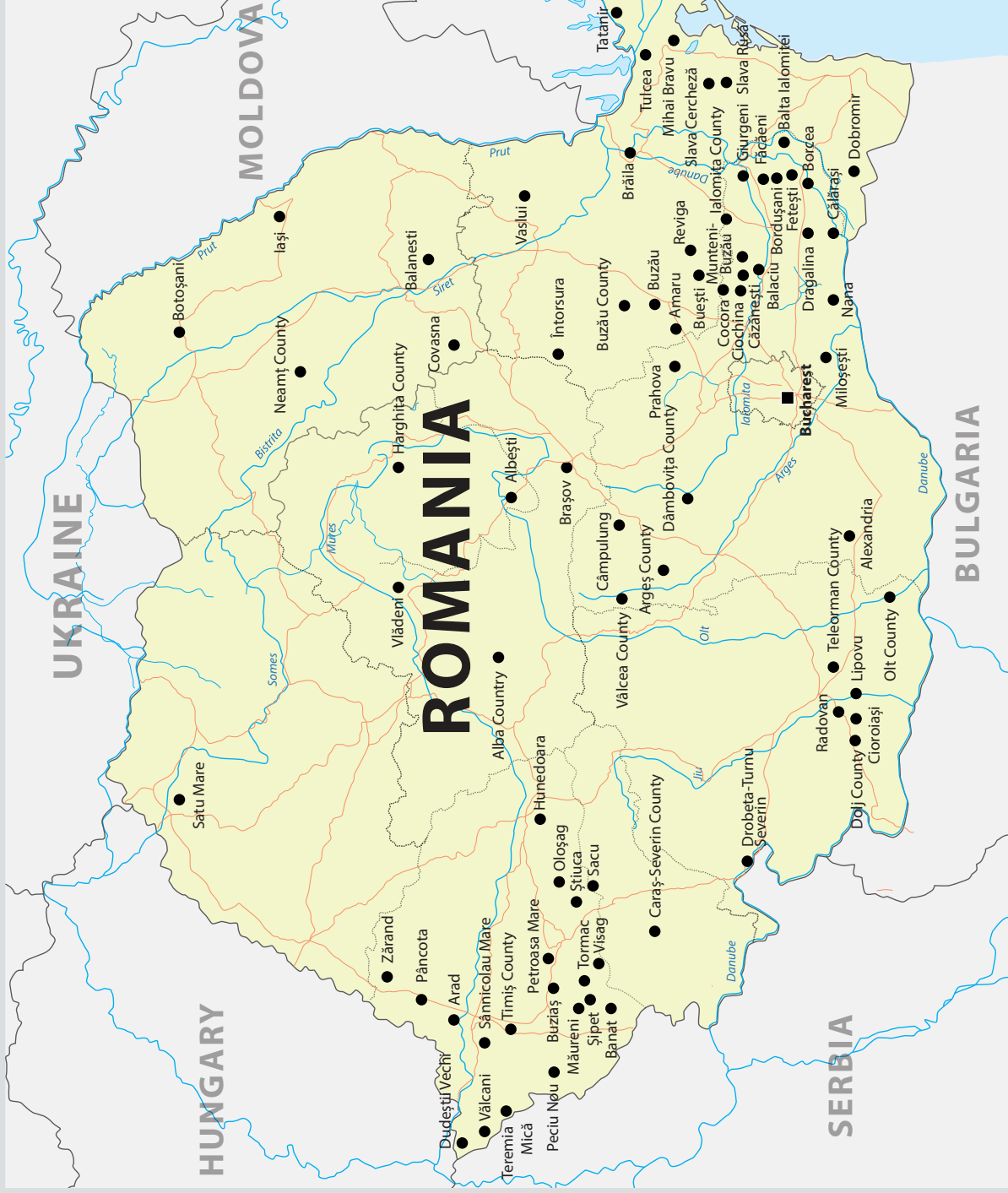
¹ Romanian National Institute of Statistics: <http://www.insse.ro/cms/en/content/resident-population-january-1-2017-and-international-migration-2016>

² World Bank: <https://data.worldbank.org/indicator/NV.AGR.TOTL.ZS?locations=RO>

³ Food and agricultural organisation: <http://www.fao.org/countryprofiles/index/en/?iso3=ROU>

⁴ The World Bank: <https://data.worldbank.org/indicator/TX.VAL.FOOD.ZS.UN?locations=RO>

CONCLUDED AGRICULTURAL LAND DEALS IN ROMANIA






 Agriculture
  Conservation
  Forestry
  Renewable Energy
  Other
  Hover over the information pane to reflect the location of the deal on the map.

Figure 1: Spatial representation of concluded deals in Romania.



OVERVIEW OF LARGE-SCALE LAND ACQUISITIONS

Table 2: Dynamics of international large-scale land acquisitions according to negotiation status.

| | NUMBER OF DEALS | INTENDED SIZE (HECTARES) | CONTRACT SIZE (HECTARES) |
|------------------------|-----------------|--------------------------|--------------------------|
| Contract signed | 51 | 164 200 ¹ | 364 317 ² |
| Oral agreement | 1 | 8 100 | 3 256 |
| Concluded | 52 | 172 300 | 367 573 |
| Expression of interest | 1 | 50 000 | n.a |
| Under negotiation | 0 | 0 | n.a. |
| Intended | 1 | 50 000 | n.a |

¹N= 7 deals ²N= 51 deals

- More than 350 000 hectares are under contract, representing around 2.5% of agricultural land in Romania.
- Most deals from the LM database are concluded (98%).
- There is no record of failed deals in Romania.

Table 3: Number of concluded deals according to contract size .

| SIZE UNDER CONTRACT (HA) | FREQUENCY |
|--------------------------|-----------|
| 1 000 - 4 999 | 25 |
| 5 000 - 9 999 | 15 |
| 10 000 - 19 999 | 10 |
| >20 000 | 2 |
| Total | 52 |

- Generally, we find deals with contract size between 1 000 and 5 000 hectares, accounting for 48% of the deals.
- We have two deals with contract size of more than 20 000 ha. One of these deals is in forestry and has an investor from Austria, while the second deal has an investor from the Netherlands involved in agriculture.

Table 4: Nature of deal (concluded deals).

| NATURE OF DEAL | NUMBER OF DEALS |
|--|-----------------|
| Lease/concession | 18 |
| Outright purchase | 12 |
| Mixed (lease/concession and outright purchase) | 12 |
| No information | 10 |
| Total | 52 |

- Lease/concessions are very popular among Investors for controlling and using land.
- There are 18 lease/concession deals making up 33% of all concluded deals.
- Sometimes, deals of mixed nature can also be observed – lease/concession and outright purchase in one deal.
- Duration of agreement for 4 out of 52 concluded deals is 20 and 49 years.

Table 5: Concluded deals according to implementation status.

| IMPLEMENTATION STATUS | NUMBER OF CONCLUDED DEALS | SIZE UNDER CONTRACT (HA) | AVERAGE SIZE UNDER CONTRACT (HA) | CURRENT SIZE UNDER PRODUCTION (HA) | AVERAGE SIZE UNDER PRODUCTION (HA) |
|-----------------------|---------------------------|--------------------------|----------------------------------|------------------------------------|------------------------------------|
| In operation | 45 | 325 566 | 7 234.8 | 198 545 ¹ | 6 846.4 |
| Project abandoned | 5 | 23 134 | 4 626.8 | 7 937 ² | 3 968.5 |
| No information | 2 | 18 873 | 9 436.5 | 11 612 ³ | 11 612 |
| Total | 52 | 367 573 | 7 068.7 | 218 094 | 6 815.4* |

¹N= 29 ²N=2 ³N=1 *N=32

N is the number of total deals used for the calculation with the necessary data available.

- Over 88% of the deals are in operation, equaling 325 566 ha under contract.
- 53% of land under contract is currently under production (for cases which the area under production is known)
- There are five abandoned projects with 23 134 ha under contract. The primary investors in these cases are insolvent.
- Information about implementation status for two deals (18 873 ha) is not available.

Figure 2: Concluded deals overtime (2000 to 2017).



- 25 out of 52 contracts in the Land Matrix Database have information on the year which the contract was signed.
- According to available information the biggest number of deals were concluded in 2005-06 and 2008-09 with 9 deals over each period.





INVESTORS AND INVESTOR COUNTRIES

Table 6: Investor countries².

| INVESTOR COUNTRIES | SIZE UNDER CONTRACT (HA) | NUMBER OF DEALS CONCLUDED |
|--------------------------|--------------------------|---------------------------|
| Denmark | 39 604 | 9 |
| Italy | 44 641 | 7 |
| Germany | 32 384 | 6 |
| Lebanon | 34 752 | 5 |
| Austria | 39 183 | 4 |
| United States of America | 36 668 | 4 |
| Luxembourg | 36 598 | 3 |
| Netherlands | 29 321 | 3 |
| Portugal | 16 300 | 3 |
| Guernsey | 13 600 | 1 |
| Finland | 12 000 | 1 |
| Belize | 10 847 | 1 |
| Switzerland | 7 967 | 1 |
| Spain | 7 313 | 1 |
| France | 5 700 | 2 |

- There are 15 major investor countries in Romanian land.
- Most of the investors come from the European Union countries.
- Denmark is the major investor with 9 deals and 39 604 ha under contract, followed by Italy (7 deals and 44 641 ha) and Germany (6 deals and 32 384 ha).
- One of the investors is registered in Guernsey, known as 'tax haven'.

Table 7: Dynamics of deals by investor type³.

| INVESTOR TYPE | SIZE UNDER CONTRACT (HA) | NUMBER OF DEALS CONCLUDED |
|-------------------------------|--------------------------|---------------------------|
| Private company | 225 994 | 32 |
| Stock-exchange listed company | 56 129 | 10 |
| Individual entrepreneur | 51 005 | 8 |
| Investment fund | 50 996 | 5 |
| State-/government (-owned) | 4 700 | 1 |
| Other | 7 496 | 1 |

- Most (61%) of the land deals in Romania done by investors registered as private companies.
- Stock-exchange listed companies are involved in 17% of deals.

Table 8: Involvement of domestic partners.

| | INTERNATIONAL INVESTORS WITHOUT DOMESTIC PARTNER | INTERNATIONAL INVESTORS WITH DOMESTIC PARTNERS | TOTAL | % WITH DOMESTIC PARTNERS |
|--------------------------------|--|--|----------------|--------------------------|
| Size under contract (hectares) | 340 026 | 27 547 | 367 573 | 7,5 |
| Deals under contract | 49 | 3 | 52 | 6 |

- A small part of the deals involve domestic investors – 6% of deals and 7.5% of land under contract.

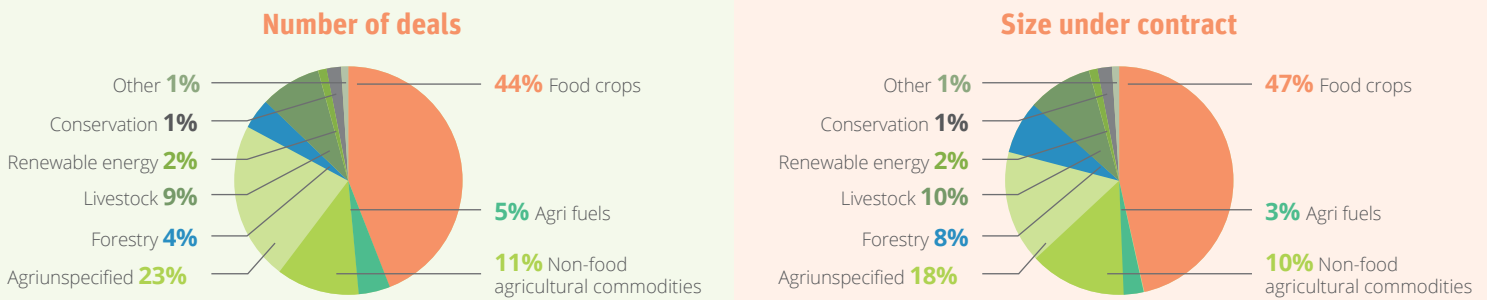
² In cases where investors from multiple countries are involved, the deal and the total size of the deal is assigned to all investors. Thus, the total number of concluded deals and sizes can be larger than table 1. Four deals have investors from multiple countries, leading to 16 investors.

³ In cases where a deal involves investors from different investor types, the deal and the full size of the deal is assigned to each investor type. No deals in Romania have multiple investor type.



DRIVERS AND AIMS OF PRODUCTION⁴

Figure 3: Aim of investment (concluded deals)⁵.



- Food crops are the most popular intention of investment in Romania – 47% of size under contract and 44% of the deals we have information on.
- The second biggest reason for land contracting is Agriunspecified – 18% of size under contract and 23% of the deals.

Figure 4: Concluded land acquisitions by the category of production, according to implementation status.



No deals for 'Project not started' and 'Start-up phase'.

- Majority of the deals in operation are used for food crops (67%), then Agri-unspecified (38%) respectively.
- For projects that are abandoned, two are under food crops and one each for agri-unspecified and non-food agri-commodities.

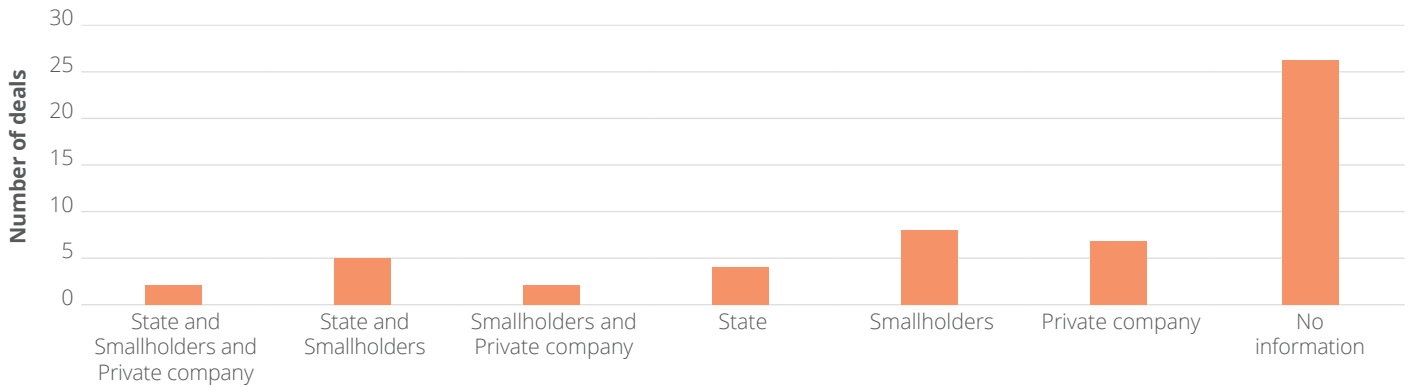
⁴ Intention of investments include: non-food agricultural commodities (for example, rapeseed oil, wool), agri-unspecified crops — crops which can be used for multiple our poses (pulp from sugar beet, soy bean), renewable energy, forestry (for wood and fibre and for carbon sequestration/REDD) and other intentions.

⁵ Individual deals list up to two or three different intentions. We count the number of times an intention is mentioned. For 51 deals we report 91 intentions. The size under contract is divided equally by the number of intentions.



FORMER LAND USE, TENURE AND OWNERS

Figure 5: Former legal land owner.



- We know the former legal land owner in half of the deals in the database.
- Where information is available, smallholder agriculture (13.5 % of the deals) and privately owned land (11.5% of the deals) was acquired most often.

Table 9: Former land use for concluded deals.

| FORMER LAND USE | SIZE UNDER CONTRACT (HA) | NUMBER OF DEALS CONCLUDED |
|--------------------------------------|--------------------------|---------------------------|
| Commercial (large-scale) agriculture | 58 915 | 11 |
| Smallholder agriculture | 57 510 | 4 |
| Forestry | 11 000 | 1 |
| Combination* | 33 756 | 5 |
| No information | 206 392 | 31 |

- Most concluded deals, for which former land use is known, were formerly used for commercial agriculture (16% the total size under contract).

* Smallholder agriculture and commercial agriculture.

DATA FIELDS WHICH WERE NOT INCLUDED IN THIS COUNTRY PROFILE DUE TO A LACK OF DATA

Please help us enhance the data, by contributing to the following fields:

- Negotiations status of deals in Romania (especially, year of contract signing)
- Duration of agreement
- Community benefits and impacts
- Involvement of the community
- Community reaction
- Destination for projects exporting production
- Former legal land owner
- Water extraction and usage
- Number of projects with reported evictions
- How land deals are implemented

WE HAVE SOME INFORMATION ON SOME OF THESE ITEMS, BUT IMPROVEMENTS AND ADDITIONS WOULD BE WELCOME

CONTRIBUTE!

The purpose of the Country Profile brief is to enhance data and data quality. Please help us to achieve this by directly contributing to www.landmatrix.org

HOW TO CONTRIBUTE

If you would like to comment, contribute to the data, or obtain additional information.

- Contact the Land Matrix directly on www.landmatrix.org
- Add comments on existing land deals www.landmatrix.org
- Contact the Eastern Europe team: landmatrix@ecoact.org.ua

The LMI partners are:



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