

EDITORIAL

Dear All,

We permanently have to analyze market conditions and have appropriate reactions in our business in order to take into consideration the changes and to manage them with success.

Our association is also going through important changes now and I invite you to feel comfortable with them.

The CCE-R General Assembly elected me as the new president of the CCE-R in charge as from February 23rd, 2007. I thank you very much for the confidence you have put in me. During Gentiana's maternity leave, a new Executive Director will manage the activities of the Chamber. We have already selected a good candidate. Her name is Cristina BUCUR.

I consider our Association a valuable and professional partner for bilateral economic exchanges between Swiss and Romanian companies as well as private and official organizations. My acceptance to become the CCE-R new president goes together with the trust in the good collaboration with my colleagues from the CCE-R Board and with the member companies.

I look forward to personally meeting many of you in the forthcoming weeks and to learn about your expectations concerning our activities and the scope of your contributions.

Sincerely yours,

Markus WIRTH,
General Manager of Holcim (Romania) SA
CCE-R President

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THE CCE-R BOARD INFORMS

Board meetings

CCE-R Board Meeting - January 16, 2007

The CCE-R Board meeting in January took place at Dominique Petter's residence in Bucharest and was chaired by Paul Nuber, CCE-R President.

The CCE-R President had previously asked big CCE-R members to make donations to the Chamber's budget in order to fill in the gap of 9'000 EUR appeared because of CCE-R giving up the participation at TIB and the cease of SIPPO's activity in Romania. The following CCE-R members agreed to make donations: **ABB, Holcim, Nestlé, Ringier, Roche, Sika, Swisspor**. Next year, another budgetary solution will be applied in order to compensate the above-mentioned amount.

CCE-R will no longer participate in TIB but in specialized fairs together with its members. An e-mail was sent to the members in order to set up a plan for 2007. TIB is no more as attractive as it used to be and no CCE-R member is interested in being represented there. Besides, participation costs for TIB are rather high. This is why the Board decided to try a joint participation with CCE-R members in specialized fairs in 2007. A greater exposure for the Chamber will be obtained with

lower costs. This resolution was also communicated to OSEC.

CCE-R Board Meeting - March 21, 2007

The CCE-R Board meeting in March took place at Holcim (Romania) SA headquarters in Bucharest and was chaired by Markus Wirth , CCE-R President.

The Board discussed the CCE-R future events and financial issues for 2007.

The next CCE-R Board Meeting will take place at the CCE-R head-office on April 26, 2007, 17:30.

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Activities

CCE-R Business Club (19:00 March 21, 2007)

The CCE-R Business Club in March was organized by the Chamber together with Holcim (Romania) SA at the company's head-office in 57, Primaverii Bd., Bucharest.

Mr. Markus Wirth made a presentation of Holcim pointing out the history of the company in Romania and the fact that this year they will celebrate 10 years of activity. He also explained to the CCE-R members Holcim's principles - one of the most important ones being the sustainable development and the environment's protection. After the presentation, a cocktail followed.

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MEMBERS

This Month's Member / News and company profile

This column gives our members the possibility to present themselves to the other companies and to highlight important aspects of their activity. Our initiative goes together with the invitation for subscribing to this facility: **if you want to present your company to the other members in one of the next issues of the Newsletter, please contact us at ccer@ccer.ro.**

HOLCIM (ROMANIA) SA

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LEGAL AND FINANCIAL ISSUES

All CCE-R members acting in the legal and financial fields are invited to contribute to this column.

Legal Focus

The Collective Labor Agreement at National Level for the period 2007-2010 No. 2895/2006

1. Overview

The new collective labor agreement at national level for the period 2007-2010 no. 2895/2006 regulates issues concerning the working time, the employment protection, the remuneration and the holidays.

2. Legislative Framework

The collective labor agreement at national level for the period 2007-2010 no. 2895/2006 was adopted on 20.12.2006 and came into force on 29.01.2007.

3. Working Time

As far as the working time is concerned, it should be taken into consideration that the normal working time is still of 8 hours / day or 40 hours / week, whereas the off-time work will be considered as overtime. Furthermore, the maximum legal working time is limited to 48 hours / week, including the overtime. Nevertheless, the working time can exceptionally exceed 8 hours/day, respectively 48 hours/week (including overtime), provided that, within a compensation period of 3 months, the average number of the working hours does not exceed 48 hours / week. Overtime will be compensated with remunerated free time within the next 30 days from the completion of the overtime.

4. Remuneration

According to the new collective labor agreement, the minimum gross wage amounts to RON 440,--. The minimum coefficients for the hierarchization of the qualified and not qualified personnel are also established. The not qualified employees receive the coefficient 1, corresponding to the minimum gross wage of RON 440, and the qualified employees receive the coefficient 1.2. The administrative personnel holding functions that require high school and post-high school studies receive a coefficient between 1.2 und 1.25. The qualified personnel holding functions which require a master school, as well as the qualified personnel holding functions which require short-term university studies, receive approximately RON 660, corresponding to the coefficients 1.3, respectively 1.5. The personnel holding functions which require university studies will receive the coefficient 2, namely RON 880.

The employees going into retirement due to age limit will receive a compensation amounting to at least two basic wages with the value from the retirement month. According to the precedent collective labor agreement, this compensation amounted to at least one basic wage.

The new collective labor agreement stipulates also that, during the holiday, the employees will receive a compensation amounting to the average sum of the remunerations for the three months prior to the month when the holiday was granted, multiplied by the number of the holiday days.

5. Termination by the Employer

In case of the termination of the labor agreement by the employer due to significant or repeated infringements against the work discipline, before any termination formalities are carried out by the employer, a so-called „preliminary investigation procedure“ shall be performed, by which the commission appointed by the employer submits a written notification to the employee at the latest 5 days before the investigation procedure is performed. The notification shall include the object, the date and the location of the discussion to be held by the employee with the members of the commission. After completion of the investigation procedure the employer has to issue a decision based on the commission's proposals.

In case of the termination of the labor agreement by the employer due to professional inappropriateness for the held position, the employer has to perform, like in the above mentioned case, a so-called „preliminary evaluation procedure“. In this respect, the commission appointed by the employer to carry out the evaluation procedure shall submit a written notification to the employee. The notification shall include the object, the date, the location as well as the way of examination. The notification shall be submitted to the employee at the latest 15 days before the

evaluation procedure is performed. As a consequence of the evaluation procedure, the employer shall submit a termination decision to the employee.

It is also to be mentioned that in case of termination due to non-personal reasons, the employer undertakes to grant to the employee a compensation amounting to at least one monthly wage, in addition to the present compensation rights.

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BUSINESS NEWS

March 26 , 2007 Holcim plans over 68m-euro investments

Cement producer Holcim Romania will invest 68 million euros this year in equipment, the construction of aggregate and concrete-mixing stations and in environmental protection, stated the company's communication manager, Luminita Oprea. The budget was approved by the General Meeting of Shareholders, and would target several directions of development, such as setting up of new lines of cement production at the plant in Campulung, acquiring logistical equipment, building several aggregate and concrete-mixing stations, as well as programmes for environmental protection, said Oprea. She specified that part of the budget earmarked for investment would be allocated for training programmes for Holcim's employees. Holcim Romania made total investments worth some 391 million euros in the 1997-2006 period. The company has recently announced it will invest around 2.8 million euros this year in environmental protection programmes. Holcim Romania posted an approximately 774 million-RON (some 219 million-euro) turnover last year, up 28% against the level seen in 2005.

Source: Ziarul Financiar

March 20 , 2007

The new address of **Swiss International Air Lines** in Bucharest is **9A, Aleea Alexandru, RO-011821, Bucharest** as of April 1, 2007.

All other details as phone number, fax and e-mails are not to be changed. All fiscal details remain unchanged.

March 14 , 2007 Nestlé set to boost exports

Paul Nuber, the general manager of Nestlé Romania, says the next three years may see the company enter new markets and continue to acquire companies, in the wake of Romania's recent EU accession.

Nestlé Romania, one of the largest companies in the food industry, with a turnover worth 120 million euros last year, plans to boost its product portfolio and exports by entering new markets.

"Acquisitions may be sealed at an international or national level, we are constantly keeping our eyes open to market changes. Given our extensive global portfolio, the number of possible new categories for products in Romania is quite high.

We will make decisions exclusively on the basis of market demand, as our purpose in Romania is to provide products that consumers want," states Paul Nuber.

Nuber says that the three years before 2007 represented the preparatory phase for Romania's EU integration.

"We're entering the second phase, the post-accession phase, when Nestlé Romania's development may be taken further by the company's entering new market segments, through production in Romania or elsewhere, or possibly even through acquisitions," adds Nuber.

The purchase of Delta Ice Cream, a Greek producer, internationally in late 2005 brought Nestlé Romania sales of 13-14 million euros on this market segment in 2006. Nuber states Delta Romania will continue to exist as part of the Nestlé group domestically.

However, the takeover of the clinical nutrition unit of the Novartis group internationally, will have no impact on the Romanian market in the following period, as Nestlé Romania will not be involve in the distribution of these products.

Nuber expects Nestlé Romania sales to rise by 20% this year, which could take the company's turnover to more than 144 million euros.

"In Europe, from Reykjavik (Iceland) to Vladivostok (Russia), Nestlé Romania is among the top five companies of Nestlé group (...)," adds Nuber.

He also says the food service business (hot drink vending machines) has posted the biggest increase at a domestic branch level for the group over the past year, followed by cereals and baby food. Exports signal another direction of development for Nestlé Romania.

They have come to account for 20-25% in the overall production of the plant of Timisoara, with part of the investments Nestlé Romania operated last year intended to increase production capacities for foreign markets.

"At the end of last year, we started exporting Joe wafers to Ukraine, and other products from the Timisoara plant are going to boost our exports, particularly to Serbia and Croatia (...)" specified Nuber.

Nestlé has been present on the Romanian market since 1995, when it launched the Nescafe, Maggi and Nesquik brands.

Source: Ziarul Financiar

February 01 , 2007 Raiffeisen Bank's no. 2: best January ever

"For the first time in my career as a banker, January is as good as December was, which is usually a record month," says Marinel Burduja, first vice-president of Raiffeisen Bank, who is in charge of the corporate division.

What are the reasons for this? The good weather allowed continued financing to real estate projects, which have come to account for more than 12% of Raiffeisen's portfolio, the third biggest bank on the market.

"It was possible for work on projects to be done at full capacity throughout January. We have more than 50 projects in various stages of development, worth over half a billion euros.

The next 10 to 15 years will clearly be the years of investments in infrastructure."

Burduja, 53, says that although still unfriendly, the business environment has reached a consolidation stage that allows banks to conduct their corporate operations without significant seasonal influences.

Companies are constantly contracting bigger and bigger loans, so that transactions of over 30-40 million euros are no longer regarded as something out of the ordinary, Burduja says. He adds that the bank is discussing more and more often about syndicated loans with its clients, as well as about corporate bond issues and mergers and acquisitions.

"2007 will be the year of more complex products and services for corporate customers. I am positive we will see such transactions in the first half of the year," Marinel Burduja told ZIARUL FINANCIAR.

The bank has also received more than 60 projects and project ideas since January 1 that are eligible for EU funding, mainly from Cluj and Arges. "They are predominantly ideas from public authorities or ideas that target the food or consumer goods industry."

At the same time, domestic banks will experience a difficult time, as they will feel the full pressure of the foreign competition that can grant funding from the EU directly at costs that are visibly lower than can be offered domestically.

"They can offer prices 30-40% lower than ours. This is a major problem because many banks from abroad are already deriving turnover in Romania through individual projects, thanks to the clear competitive edge they have in terms of pricing," Burduja says.

On the other hand, the head of the corporate division of Raiffeisen says that there is "no chance" of a decline in the amount of interest on loans this year in the absence of a decision from the NBR on the relaxation of the minimal mandatory reserves.

"The restrictive framework imposed by the NBR has repercussions on the market in that it makes the red tape involved in lending excessive and the loans themselves more expensive, as they unavoidably reflect the costs incurred with reserves."

What are the solutions to offset the foreign competition?

"We have the capability to cut interests, too, for certain industries and for certain customers, but not for all of them. We are trying to develop extensive and permanent relationships with customers, and

also service packages in order to redistribute costs and solutions adjusted to individual profiles," Burduja says.

Source: Ziarul Financiar

January 01 , 2007

Paul Claxton is the new General Manager of **Syngenta Agro SRL**. He replaced Marc Bonfils who was appointed Global Key Account Lead for seed treatment at Syngenta's head-quarters in Basel. (contact: paul.claxton@syngenta.ro)

January 01 , 2007

Marco Stettler is the Executive Director of **Ringier Romania SRL**. He replaced Thomas Landolt who was promoted as the responsible for Central and Eastern Europe at the Ringier's head-quarters. (Contact: marco.stettler@ringier.ro)

January 01 , 2007

Jonathan Soper is the new General Manager of Intercontinental Bucharest Hotel. (Contact: jonathan.soper@interconti.ro)

January 01 , 2007

Justino Hernandez is the new General Manager of Intervet Romania SRL. (Contact: justino.hernandez@intervet.com)

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THE CCE-R EVENTS CALENDAR

EVENT	WHERE	WHEN
CCE-R Board Meeting	CCE-R Head-office	17:30 April 26 , 2007
Business Club	Mattig Management Partners RO	19:00 April 26 , 2007
CCE-R Business Club	Chronotime International	19:00 May 30 , 2007
CCE-R Board Meeting	Chronotime International head-office, Bucharest	17:30 July 10 , 2007
<i>Board Meetings are only for Board Members.</i>		
CCE-R Business Club	Chronotime International	19:00 July 10 , 2007

CCE-R Board Meeting

CCE-R head-office,
Bucharest

17:30 August 29 , 2007

CCE-R Business Club

Prima TV Headquarters,
Bucharest

19:00 August 29 , 2007

Together with the Swiss Association.

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This is a monthly Newsletter, released at the end of each month. Should you have any suggestions concerning it or should you want to contribute to its realization, please send us your proposals at:

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