

Sharp Demografic Decline

- Between 2004 and 2013, the biggest reductions in population were recorded in Germany (1.76 mil) and **Romania (1.57 mil)**
- Romania – among the EU countries with the **lowest birth rates** (PT, ES, GR, IT)
- Romania – among the EU countries with the lowest life expectancies at birth (BG, LV, LT)
- 2080: est. 16.3 mil inhabitants
- Average age: 40,8 (higher than EU average: 42,2)

Sharp Demographic Decline

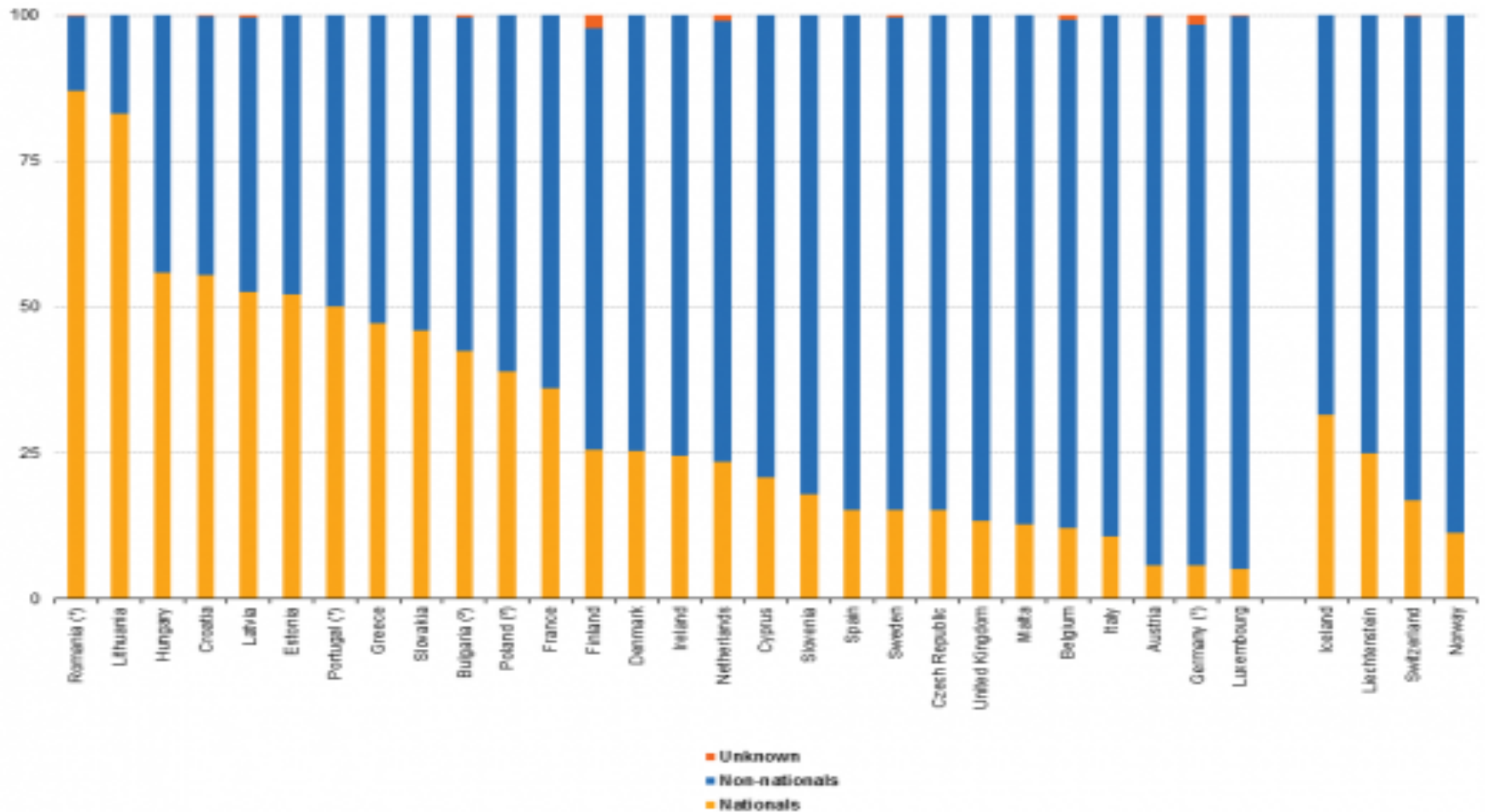
(the last census: October 20th, 2011)

- Romania's usual resident population amounted to **20,121,641** persons, out of which 10,333,064 women (51.4%).
- As compared to the situation at the previous census (2002), **the usual resident population decreased with 1,559.3 thousand persons** (out of which 779.2 thousand women), **mainly due to external migration.**
- Children (0-14 years): **15.9%** in total usual resident population; the youth (15 - 24 years) : **12.3%**; **adults (25 – 64 years) represent the majority: 55.7%**; persons aged 65+ : 16.1%.
- 44.2% - low educational level (primary, lower secondary or no graduated school); 41.4% - medium level (post-high school, high school, vocational or foremen education); 14.4% - upper level.

Intra-EU Romanian Migration

- Migration is influenced by a combination of economic, environmental, political and social factors: either in a migrant's country of origin (push factors) or in the country of destination (pull factors). Historically, the relative economic prosperity and political stability of the EU are thought to have exerted a considerable pull effect on immigrants.
- In destination countries, international migration may be used as a tool to solve specific labour market shortages.
- In 2015, the relative share of national immigrants, in other words immigrants with the citizenship of the EU Member State to which they were migrating, within the total number of immigrants was highest in Romania (87 % of all immigrants), Lithuania (83 %), Hungary (56 %), Croatia (55 %), Latvia (52 %), Estonia (52 %) and Portugal (50 %).
- These were the only EU Member States to report that national immigration accounted for more than half of the total number of immigrants.

Intra-EU Romanian Migration



(*) Estimate.

(*) Provisional.

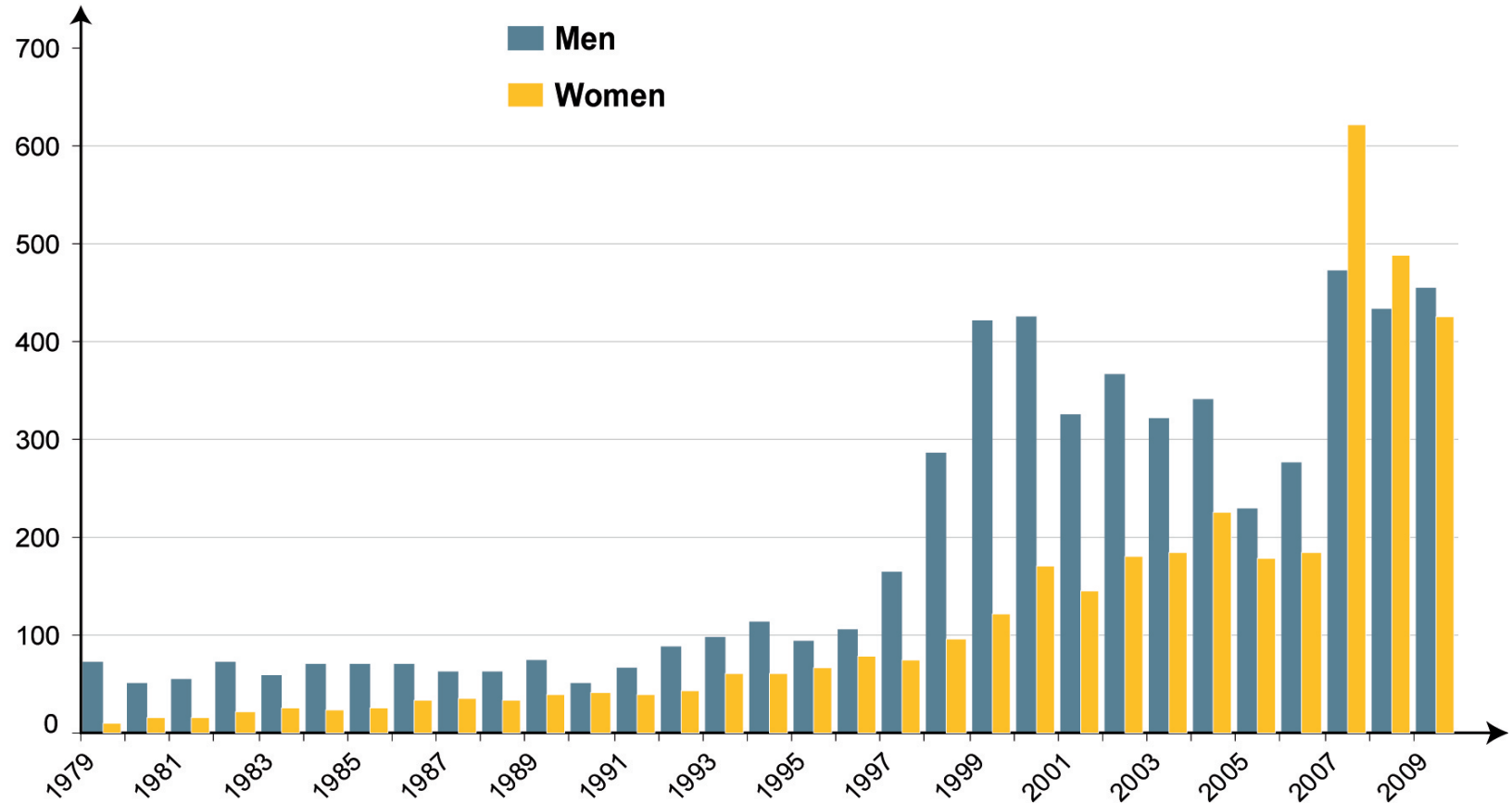
Source: Eurostat (online data code: migr_imm2cz)

A Serious Problem With No Immediate Solution

- **Almost 2.35 mil Romanians live and work in the EU**
- **2007: the peak-year of intra-EU Romanian immigration (544.000); the trend is again positive**
- **2014: Most immigrants(60% +) have a stable job (integrated, no return)**
- **Top destinations: IT, UK, ES, DE, BE, DK, FR, SWE**
- **By age groups: 15-34 y.o. – 52%; 35-54 y.o. – 28% (active population)**
- **Medium educational level: IT, SP (est. 1.8 mil)**
- **Upper educational level: DE, UK, FR (consistent and growing ‘brain drain’ phenomenon)**
- **Push factor: economic, professional (career perspectives)**
- **Pull factor: social-economic (increasing mobility, higher average wages/month, labour markets liberalization, social+health+retirement favourable schemes), professional, cultural (polyglotism)**
- **Intra-EU immigration and declining birth rate will soon generate heavy pressures on the domestic labour market offer and on the social-retirement schemes**

A Serious Problem With No Immediate Solution

Number of new
physicians registered



Physicians' migration from Romania to France

A Serious Contextual Problem With No Immediate Solution.

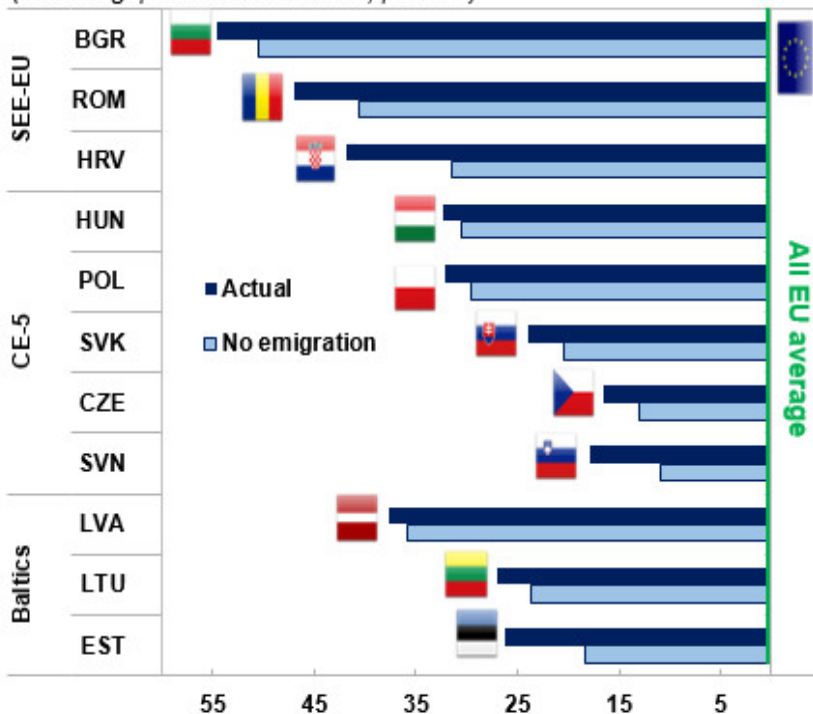
Emigration Slows Growth

Chart 2

Less pay in the East

The gap between pay in Western Europe and in Eastern European countries remains significant.

(income gap with the entire EU, percent)



Sources: Eurostat; and IMF staff calculations.

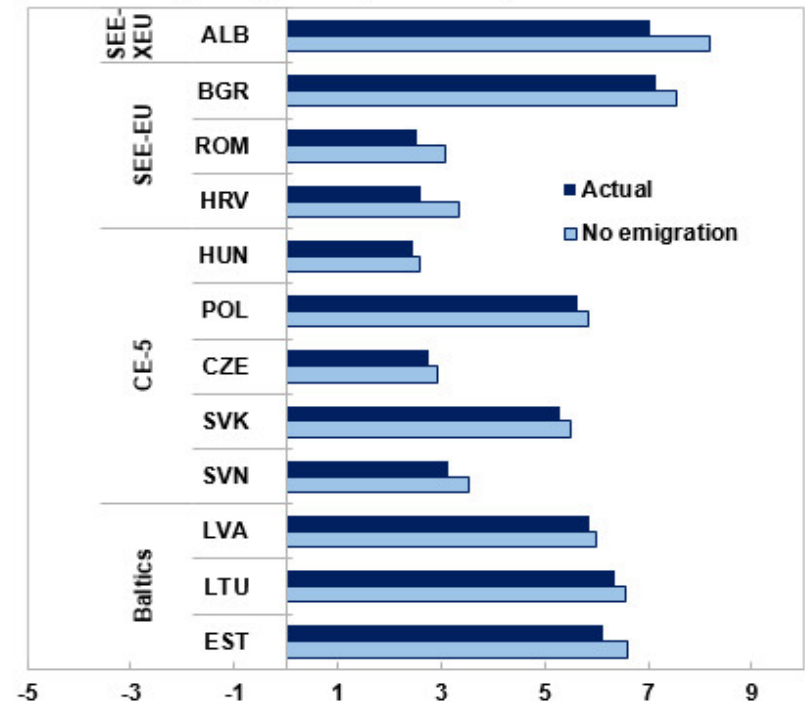
Notes: SEE-EU = Southeastern European, EU countries (Bulgaria, Romania, and Croatia); CE-5 = Central Europe (Hungary, Poland, Slovakia, Czech Republic, and Slovenia); Baltics = Latvia, Lithuania, and Estonia.

Chart 3

GDP suffered in sending countries

Leaving work force from Eastern European countries has thrown back growth.

(annual GDP growth, percent, 1995-2012)



Sources: Eurostat and IMF staff calculations.

Notes: SEE-XEU = Southeastern European, non-EU country (Albania); SEE-EU = Southeastern European, EU countries (Bulgaria, Romania, and Croatia); CE-5 = Central Europe (Hungary, Poland, Czech Republic, Slovakia, and Slovenia); Baltics = Latvia, Lithuania, and Estonia).

A Serious Contextual Problem With No Immediate Solution.

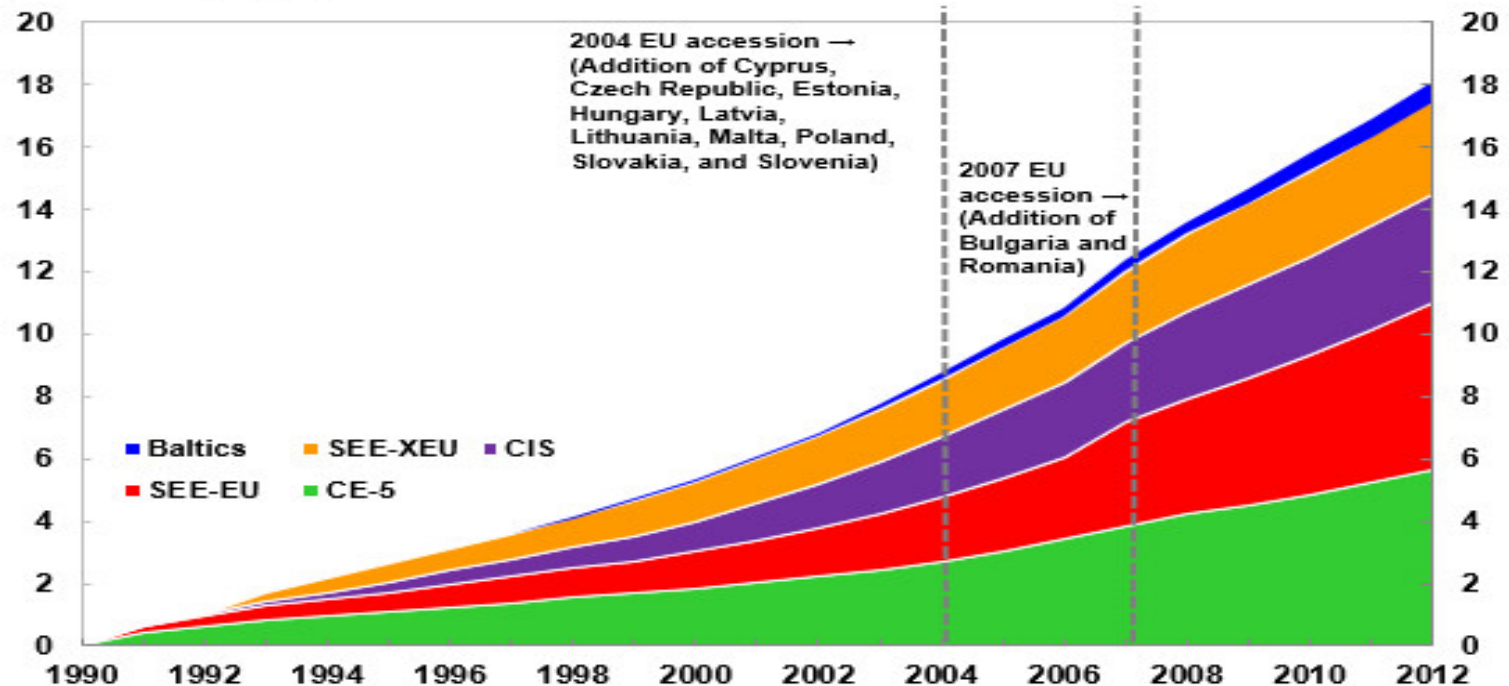
Emigration Slows Growth

Chart 1

From East to West

Between 1990 and 2012, almost 20 million people left from Central, Eastern and Southeastern Europe.

(millions of people)



Sources: OECD International Migration Database; Eurostat; and IMF staff calculations.

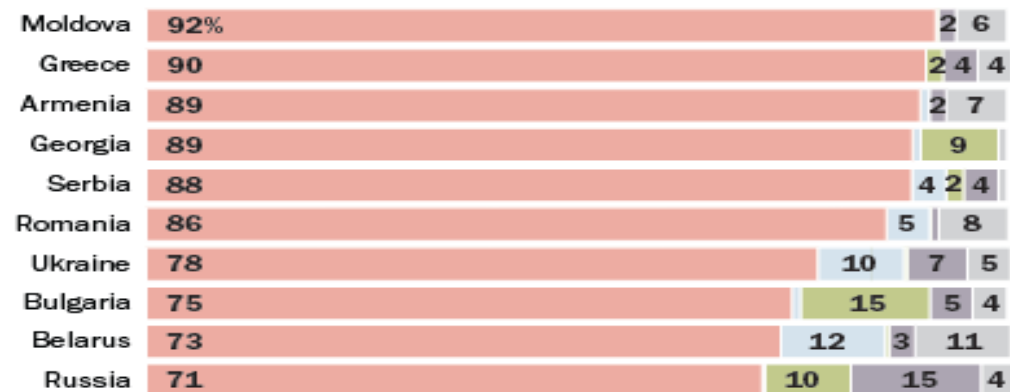
Notes: Baltics = Latvia, Lithuania, and Estonia; SEE-XEU = Southeastern European, non-EU countries (Albania, Bosnia and Herzegovina, Former Yugoslav Republic of Macedonia, Republic of Montenegro, and Serbia); CIS = Commonwealth of Independent States (Belarus, Moldova, Russia, and Ukraine); SEE-EU = Southeastern European, EU countries (Bulgaria, Romania, and Croatia); CE-5 = Central Europe (Hungary, Poland, Slovakia, Czech Republic, and Slovenia).

Religious landscape of Central and Eastern Europe

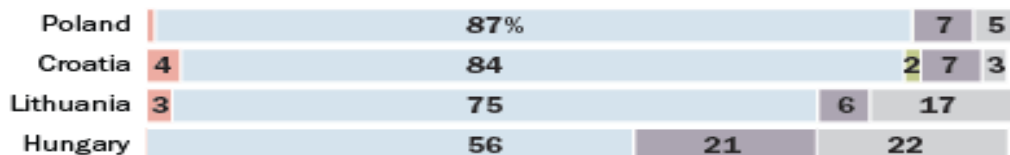
% who identify as ...

Orthodox Catholic Muslim Unaffiliated Other

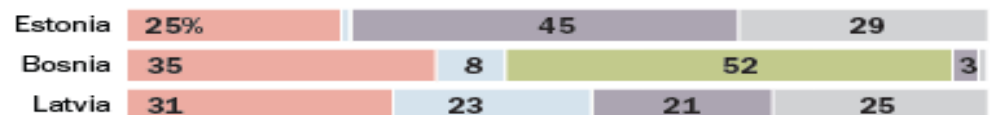
Orthodox majority



Catholic majority



Religiously mixed



Majority religiously unaffiliated



Note: 13% of respondents in Hungary identify as Presbyterian. In Estonia and Latvia, 20% and 19%, respectively, identify as Lutherans. And in Lithuania, 14% say they are "just a Christian" and do not specify a particular denomination. They are included in the "other" category. A negligible share of respondents in each country decline to answer the question. They are included in the "other" category. Source: Survey conducted June 2015-July 2016 in 18 countries. See Methodology for details.

"Religious Belief and National Belonging in Central and Eastern Europe"

PEW RESEARCH CENTER

Belief in God more widespread in Central and Eastern Europe

% who say they ...

	Believe in God	Believe in God, absolutely certain	Believe in God, less certain	Do not believe in God
Georgia	99%	73%	24%	1%
Armenia	95	79	16	4
Moldova	95	55	40	3
Romania	95	64	30	4
Bosnia	94	66	28	4
Greece	92	59	33	6
Serbia	87	58	29	10
Croatia	86	57	29	10
Poland	86	45	38	8
Ukraine	86	32	51	9
Belarus	84	26	58	9
Portugal	83	44	38	13
Bulgaria	77	30	47	17
Lithuania	76	34	41	11
Russia	75	25	48	15
Italy	73	26	46	21
Latvia	71	28	41	15
Ireland	69	24	44	26
Slovakia	69	37	31	27
Austria	67	13	53	29
Spain	64	25	38	31
Switzerland	62	11	51	33
Germany	60	10	50	36
Hungary	59	26	33	30
Finland	58	23	34	37
UK	58	12	45	36
France	56	11	45	37
Denmark	51	15	36	46
Norway	49	19	30	47
Estonia	44	13	31	45
Netherlands	44	15	28	53
Belgium	42	13	29	54
Sweden	36	14	22	60
Czech Republic	29	13	16	66

Note: Orange labels are Central and Eastern European countries.

Blue labels are Western European countries. Don't know/refused

responses about belief in God or certainty of belief not shown.

Muslim respondents in Western European countries were not asked this question.

Source: Surveys conducted 2015-2017 in 34 countries. See

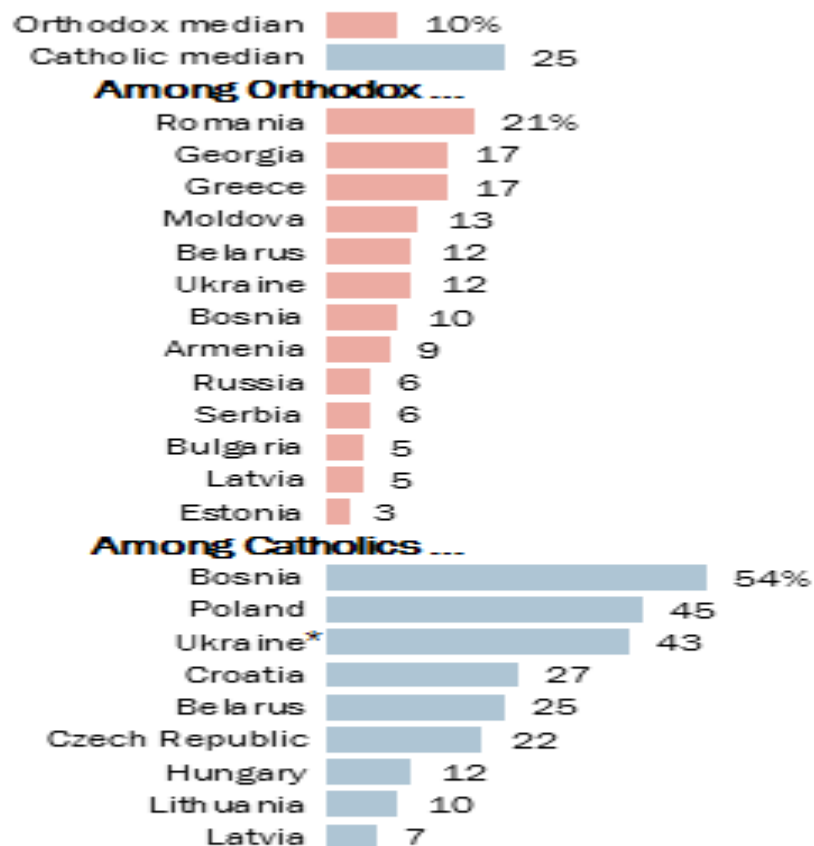
Methodology for details.

"Eastern and Western Europeans Differ on Importance of Religion, Views of Minorities, and Key Social Issues"

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Relatively low shares of Orthodox across Central and Eastern Europe attend church weekly

% who say they attend church weekly



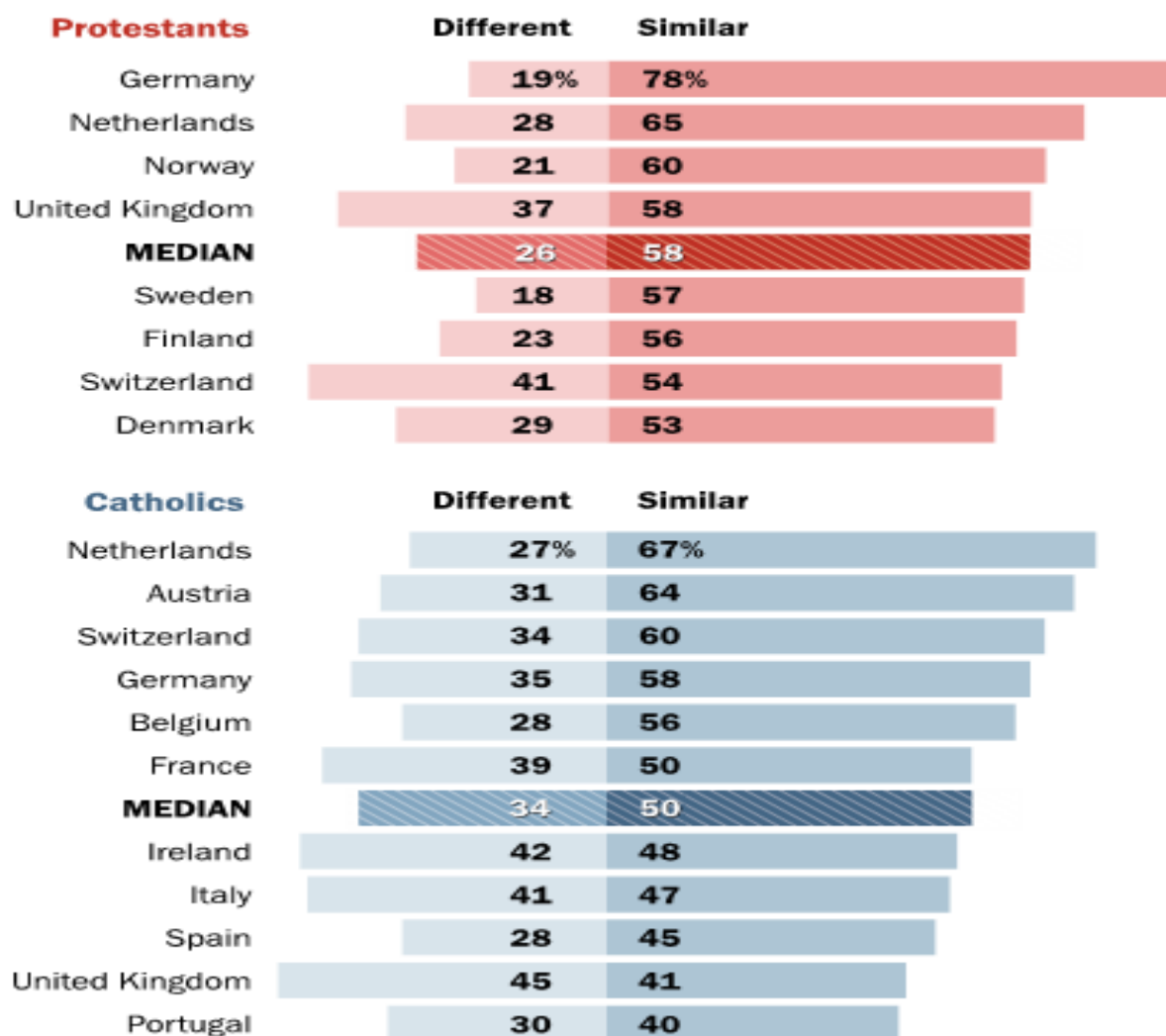
* In Ukraine, most Catholics identify as Byzantine Rite Eastern Catholics, whereas in most other countries, Catholics are Roman Catholics.

Source: Survey conducted June 2015-July 2016 in 18 countries. See Methodology for details.

"Religious Belief and National Belonging in Central and Eastern Europe"

Among Catholics, Protestants in Western Europe, more see their religions as similar than different

% who say Catholics and Protestants TODAY are religiously more similar than they are different/more different than they are similar



Note: Those who did not answer the question are not shown.

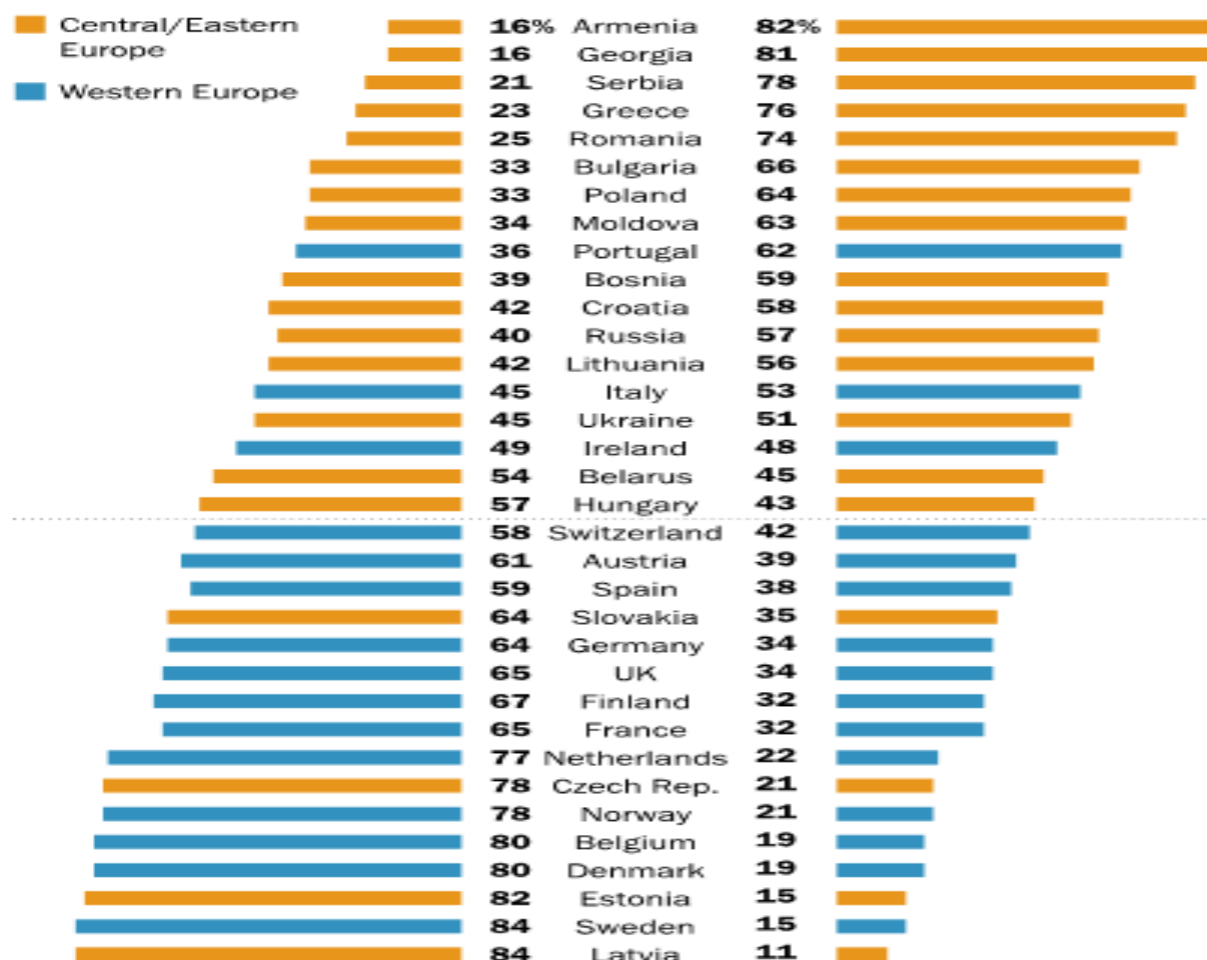
Source: Survey conducted April-August 2017 in 15 countries. See Methodology for details.
 "Five Centuries After Reformation, Catholic-Protestant Divide in Western Europe Has Faded"

Fewer people in Western European countries see religion as a key component of national identity

% who say it is _____ to be a Christian to truly share their national identity (e.g. to be "truly Armenian")

NOT VERY/NOT AT ALL IMPORTANT

VERY/SOMEWHAT IMPORTANT

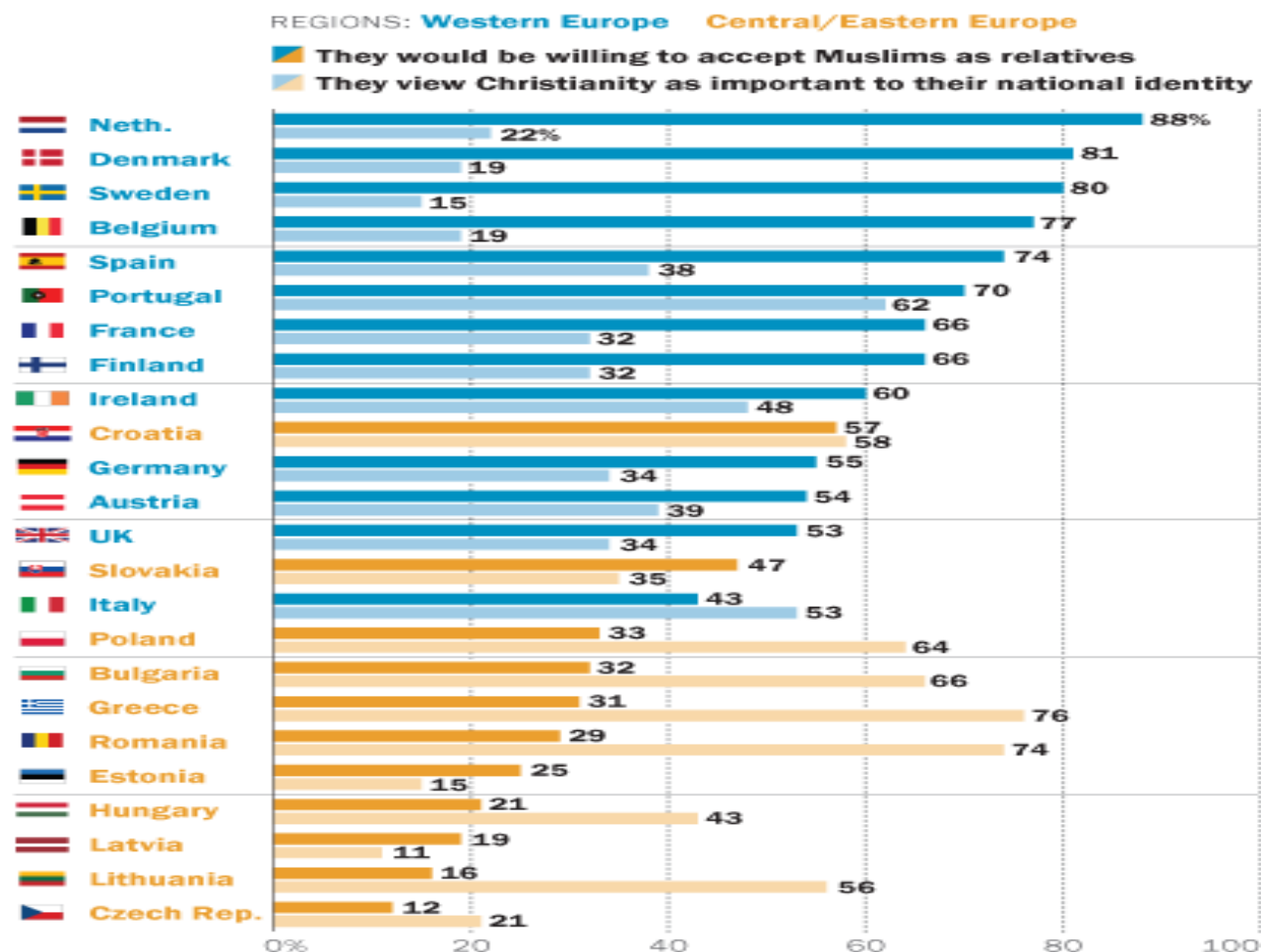


Note: In nearly all Central and Eastern European countries, the dominant Christian denomination was included in the question wording (Catholic, Orthodox or Lutheran). For example, in Russia, respondents were asked how important it is to be Orthodox to be "truly Russian." In Bosnia, respondents were asked about their own religious group, whether Muslim or Orthodox. Don't know/refused responses not shown.

Source: Surveys conducted 2015-2017 in 34 countries. See Methodology for details.

"Eastern and Western Europeans Differ on Importance of Religion, Views of Minorities, and Key Social Issues"

Within the EU, Central and Eastern Europeans generally less likely than Western Europeans to say they would accept Muslims as relatives



Note: In nearly all Central and Eastern European countries, the dominant Christian denomination was included in the question wording (Catholic, Orthodox or Lutheran). For example, in Poland, respondents were asked how important it is to be Catholic to be "truly Polish." Don't know/refused responses not shown. Source: Surveys conducted 2015-2017 in 34 countries.

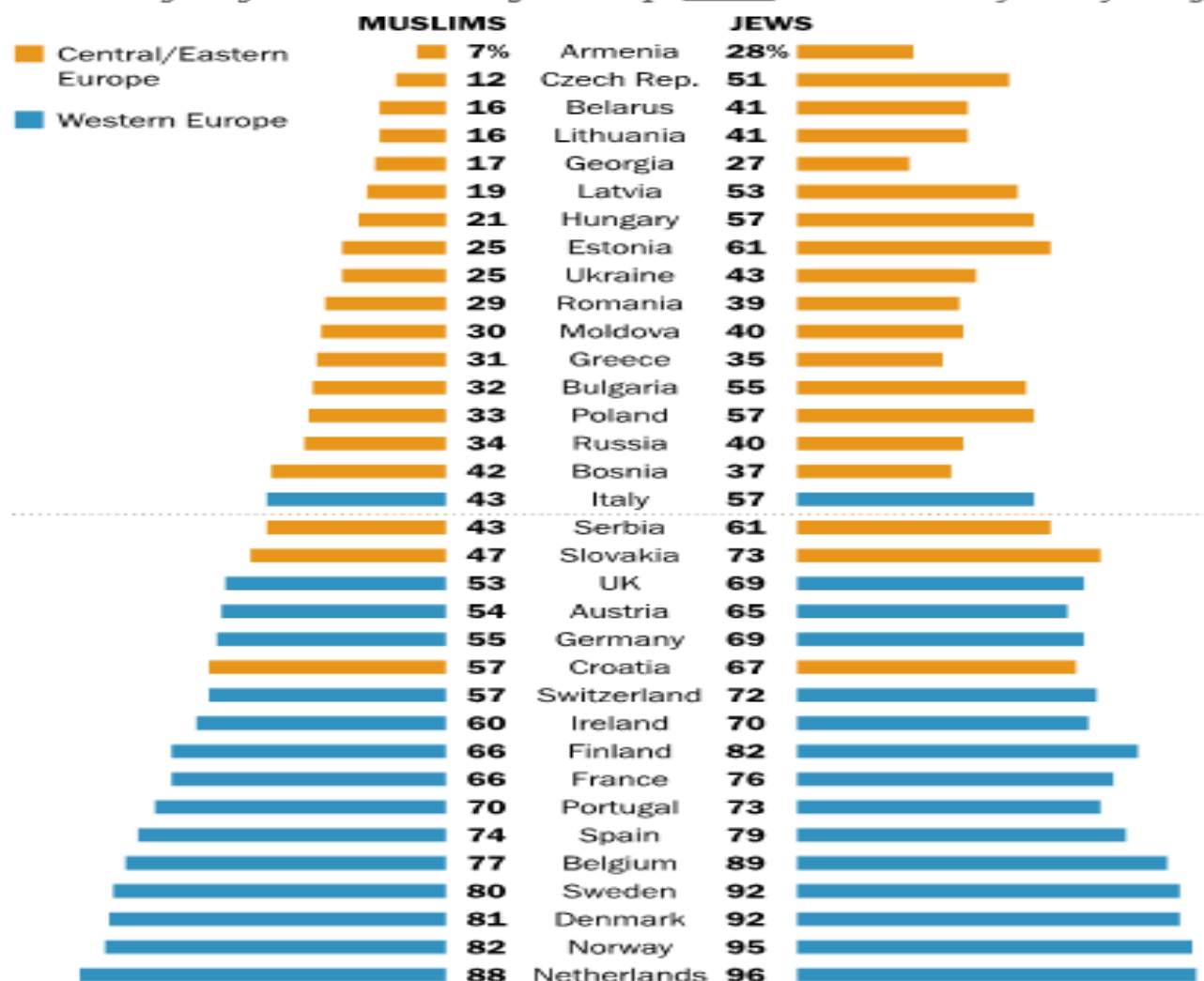
See Methodology for details.

"Eastern and Western Europeans Differ on Importance of Religion, Views of Minorities, and Key Social Issues"

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Western Europeans more likely than Central and Eastern Europeans to say they would accept Jews, Muslims into their family

% who say they would be willing to accept _____ as members of their family



Note: These questions were not asked of Muslims and Jews, respectively.

Source: Surveys conducted 2015-2017 in 34 countries. See Methodology for details.

"Eastern and Western Europeans Differ on Importance of Religion, Views of Minorities, and Key Social Issues"

Overall, Central and Eastern Europeans are more religious than Western Europeans

% who say ...

	Religion is very important in their lives	They attend religious services at least monthly	They pray daily
Greece	55%	38%	29%
Bosnia	54	35	32
Armenia	53	34	45
Georgia	50	39	38
Romania	50	50	44
Croatia	42	40	40
Moldova	42	35	48
Portugal	36	36	37
Serbia	34	19	27
Poland	29	61	27
Ireland	23	37	19
Slovakia	23	31	31
Spain	22	23	23
Ukraine	22	35	29
Italy	21	43	21
Belarus	20	30	25
Netherlands	20	18	20
Bulgaria	19	19	15
Norway	19	16	18
Lithuania	16	27	15
Russia	15	17	17
Hungary	14	17	16
Austria	12	30	8
Belgium	11	11	11
France	11	22	11
Germany	11	24	9
Finland	10	10	18
Latvia	10	16	17
Sweden	10	11	11
UK	10	20	6
Switzerland	9	29	8
Denmark	8	12	10
Czech Rep.	7	11	9
Estonia	6	10	9

Note: Orange labels are Central and Eastern European countries.

Blue labels are Western European countries.

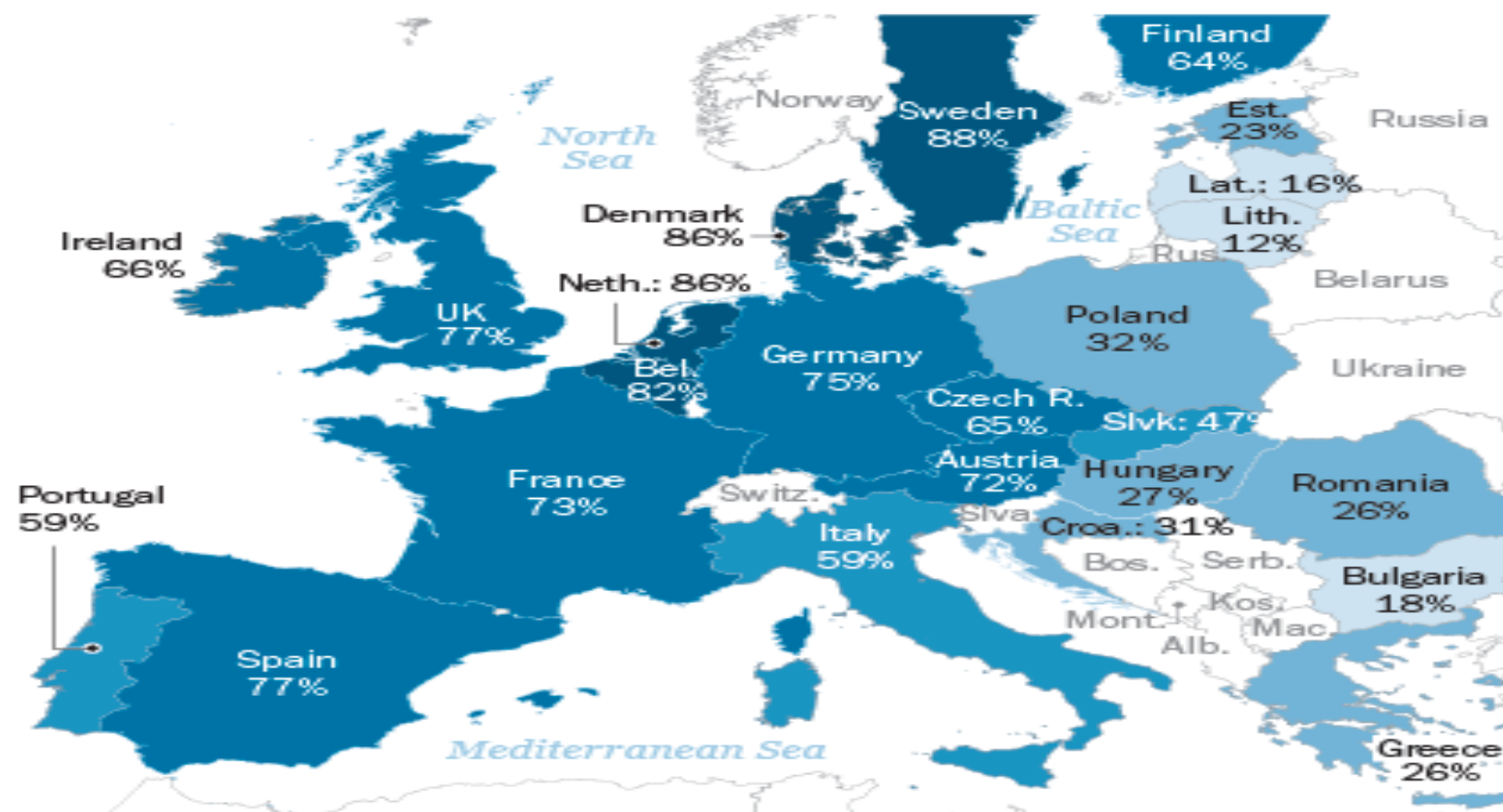
Source: Surveys conducted 2015-2017 in 34 countries. See Methodology for details.

"Eastern and Western Europeans Differ on Importance of Religion, Views of Minorities, and Key Social Issues"

Within EU, Western Europeans more likely than Central, Eastern Europeans to favor same-sex marriage

% in EU nations who say they favor allowing gays and lesbians to marry legally

0-19% 20-39 40-59 60-79 80+ | Non EU



Source: Surveys conducted 2015-2017 in 34 countries.

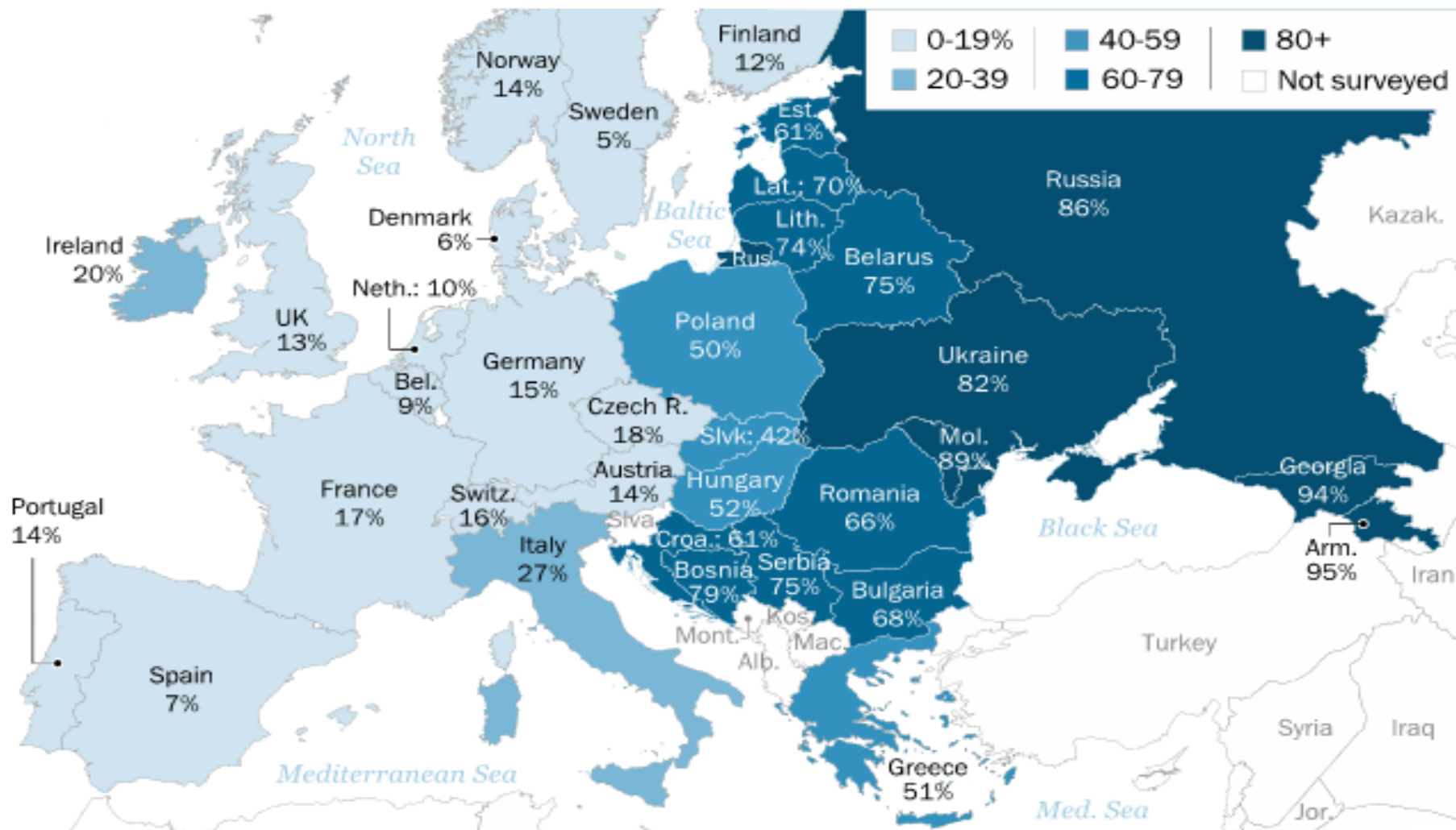
See Methodology for details.

"Eastern and Western Europeans Differ on Importance of Religion, Views of Minorities, and Key Social Issues"

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Young adults in Central and Eastern Europe largely oppose gay marriage

% of those ages 18 to 34 who say they oppose/strongly oppose allowing gays and lesbians to marry legally

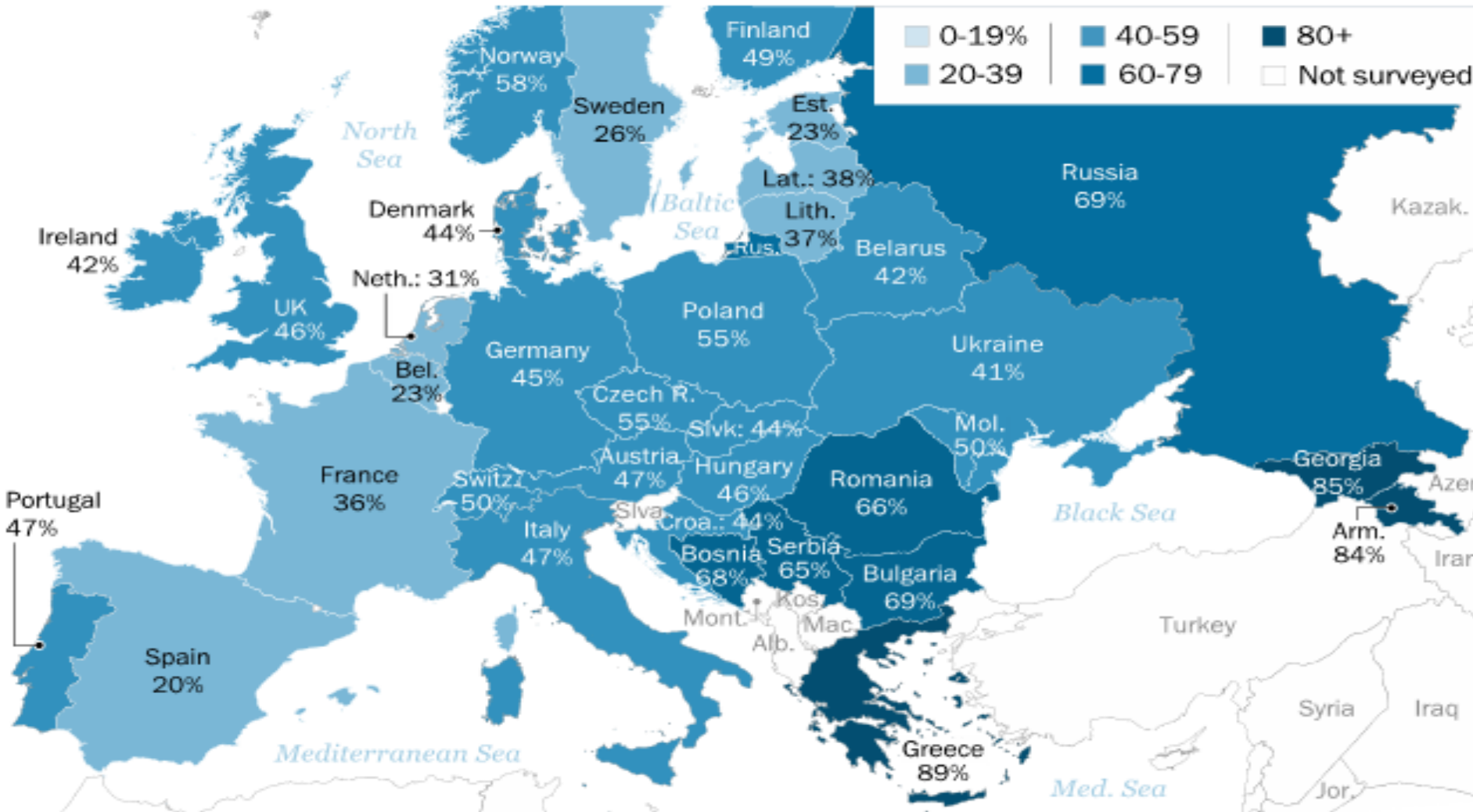


Source: Surveys conducted 2015-2017 in 34 countries. See Methodology for details.

"Eastern and Western Europeans Differ on Importance of Religion, Views of Minorities, and Key Social Issues"

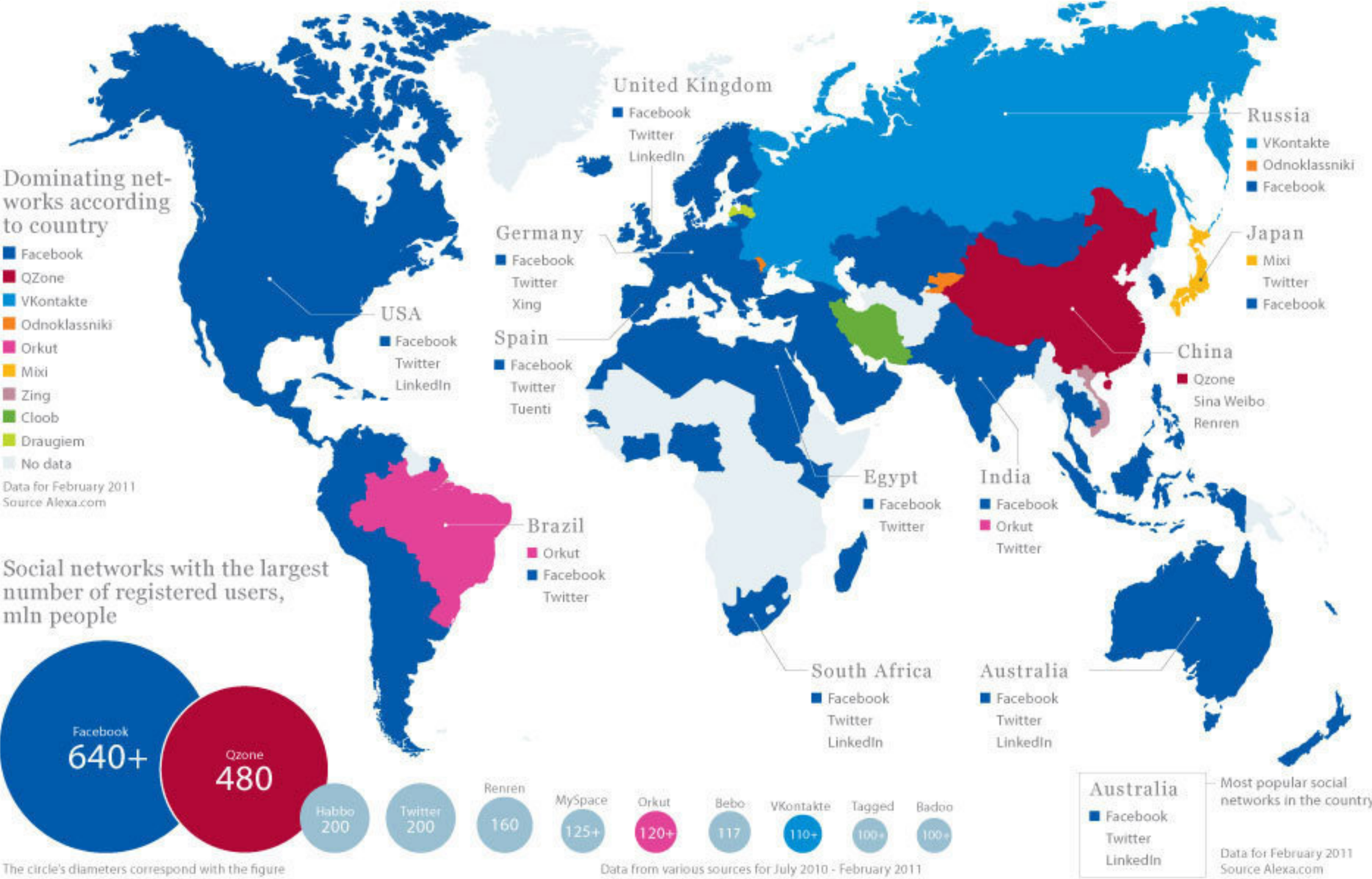
Eastern Europeans are more likely to regard their culture as superior to others

% who say they completely/mostly agree with the statement, "Our people are not perfect, but our culture is superior to others"

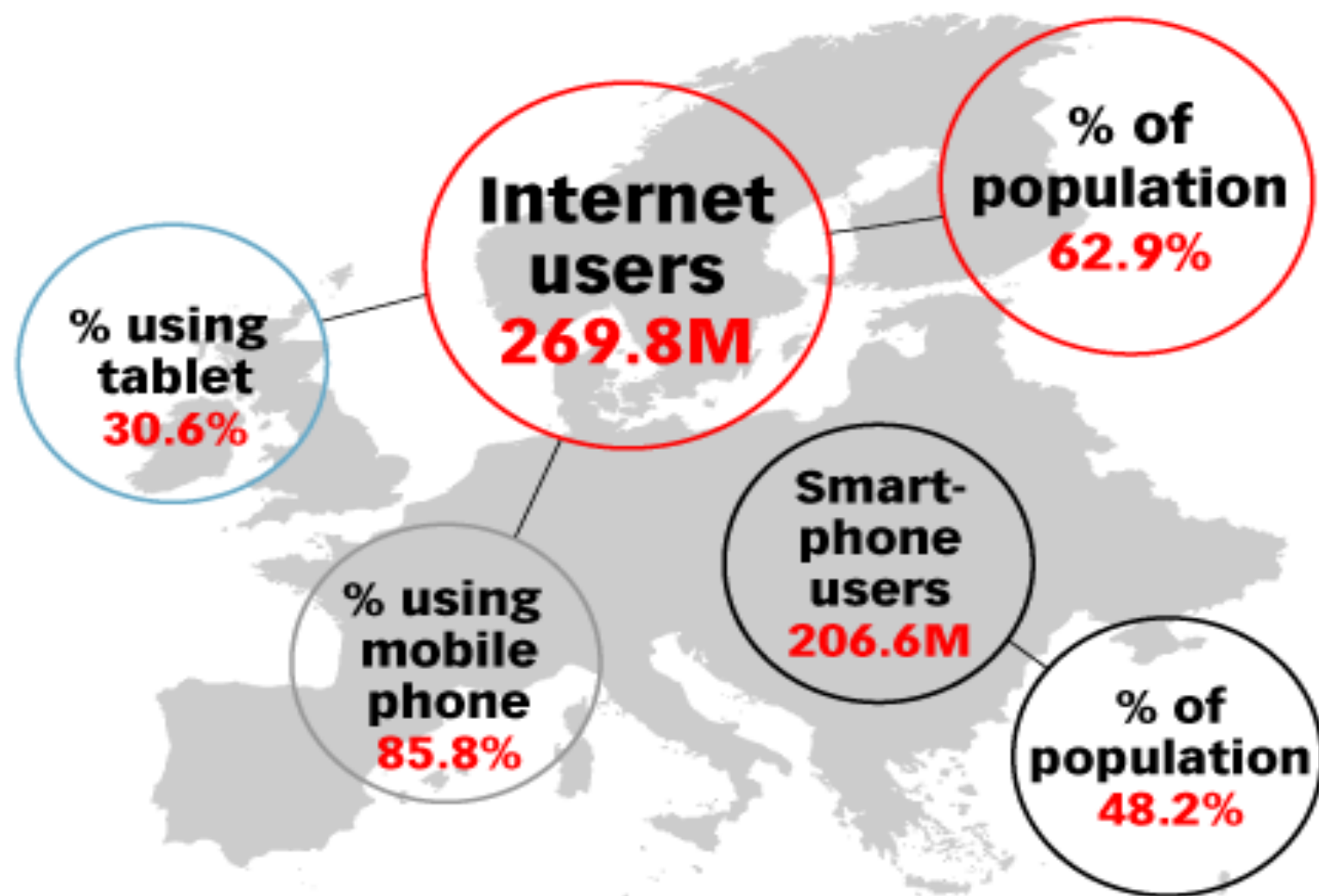


Source: Surveys conducted 2015-2017 in 34 countries. See Methodology for details.
"Eastern and Western Europeans Differ on Importance of Religion, Views of Minorities, and Key Social Issues"

The world map of social networks



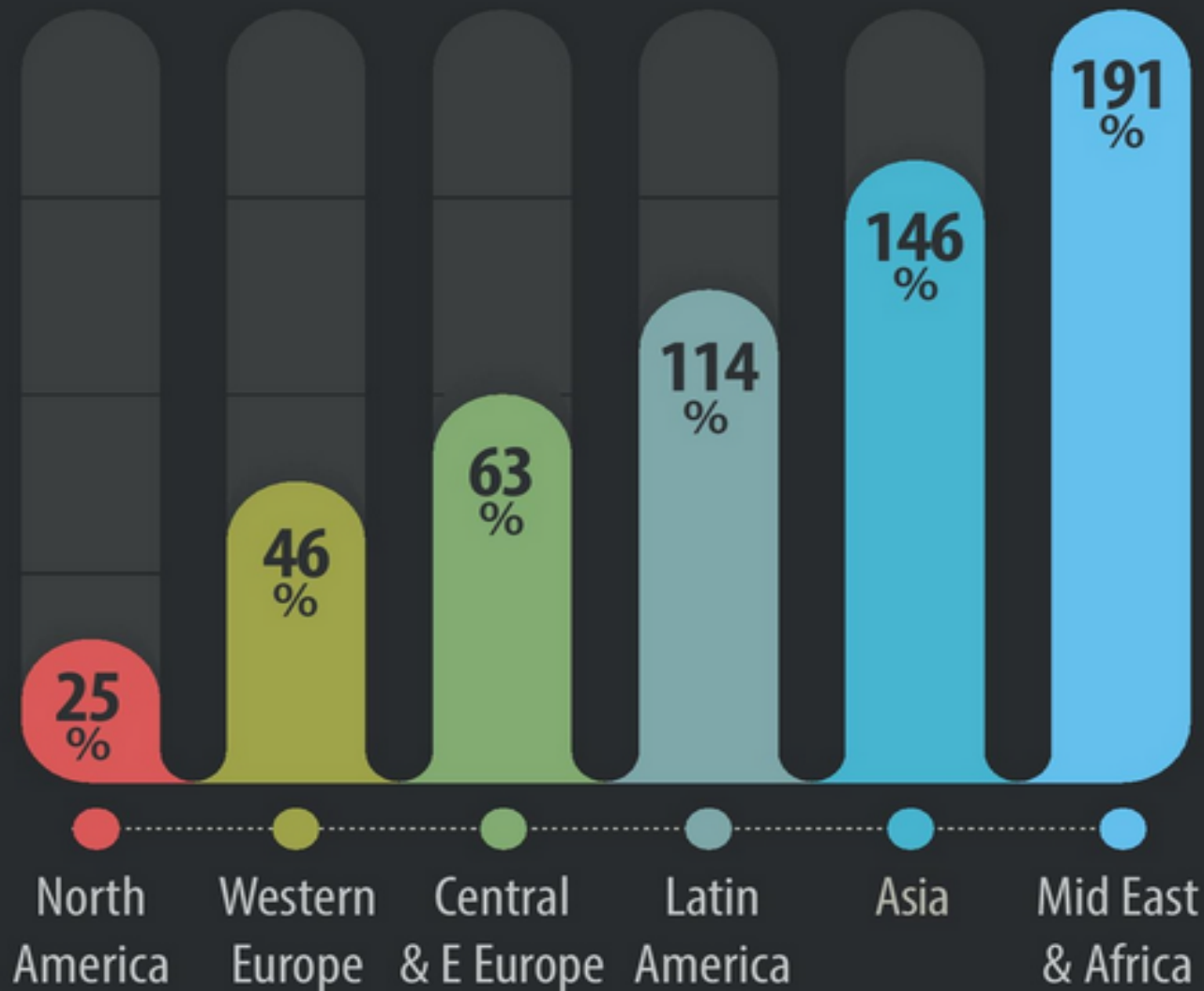
Central and Eastern Europe: Digital User Metrics, 2018



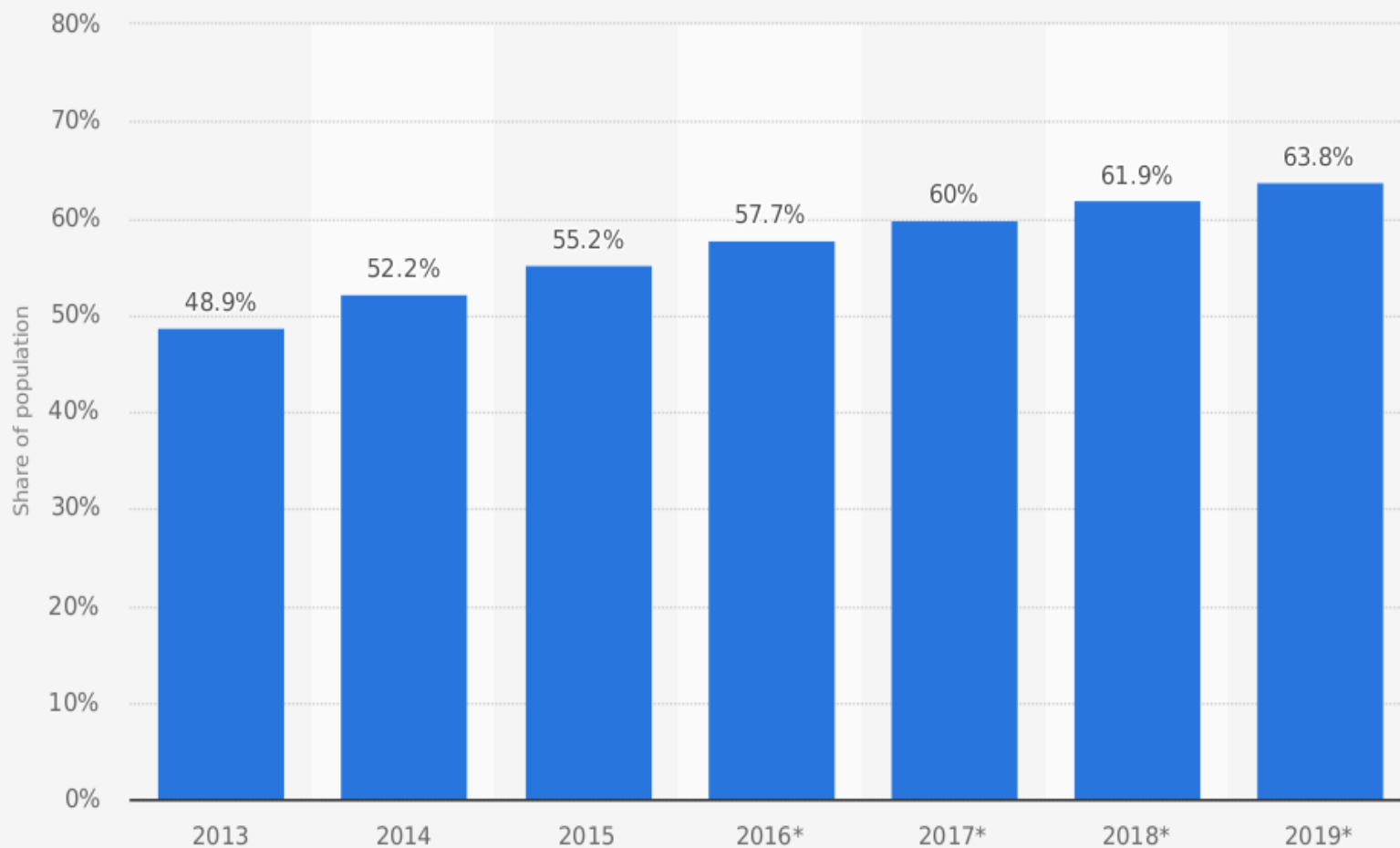
Source: eMarketer, April 2018

Social network % increase 2011-2017

Once again the emerging economies are growing much faster in terms of the % increase in social media users.



Internet user penetration in Central and Eastern Europe from 2013 to 2019



Source
eMarketer
© Statista 2018

Additional Information:
Europe; eMarketer; 2013 to 2015; Monthly active users

JAN
2018

ANNUAL GROWTH

YEAR-ON-YEAR CHANGE IN KEY STATISTICAL INDICATORS

INTERNET
USERS



we
are
social

+7%

SINCE JAN 2017

+248 MILLION

ACTIVE SOCIAL
MEDIA USERS



+13%

SINCE JAN 2017

+362 MILLION

UNIQUE
MOBILE USERS



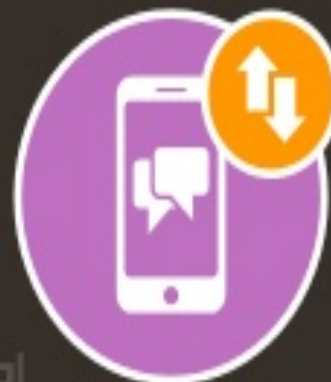
we
are
social

+4%

SINCE JAN 2017

+218 MILLION

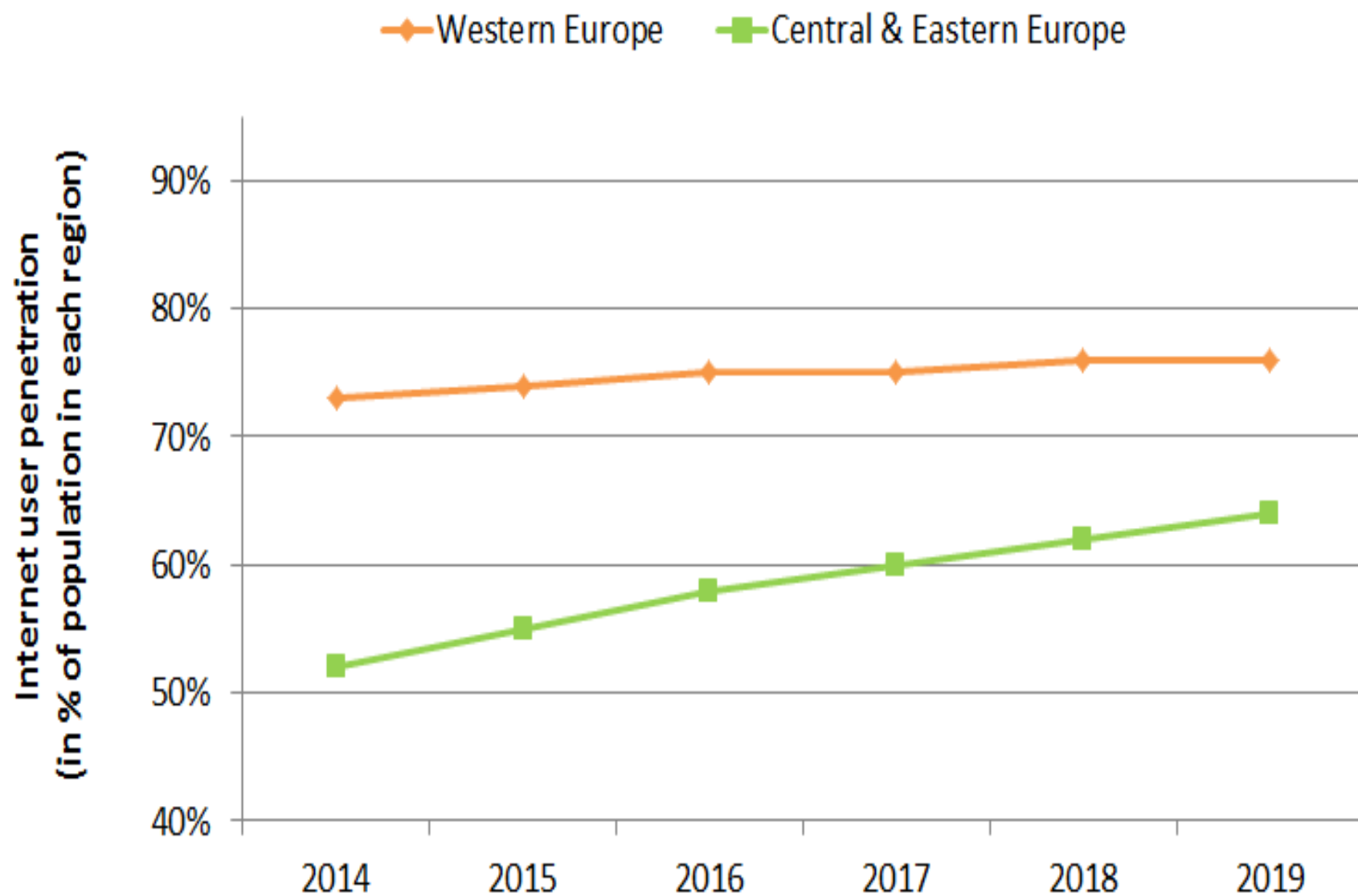
ACTIVE MOBILE
SOCIAL USERS



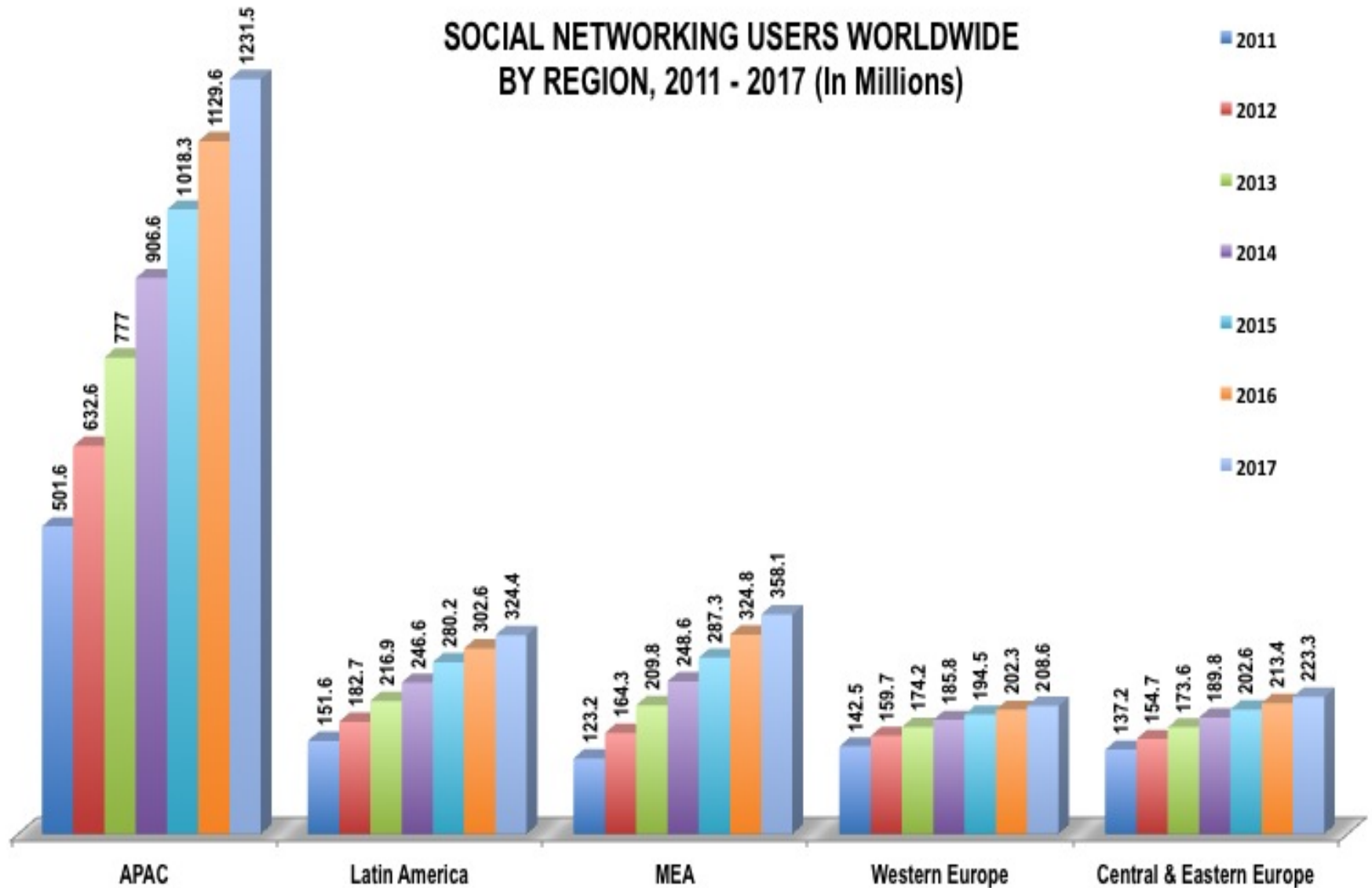
+14%

SINCE JAN 2017

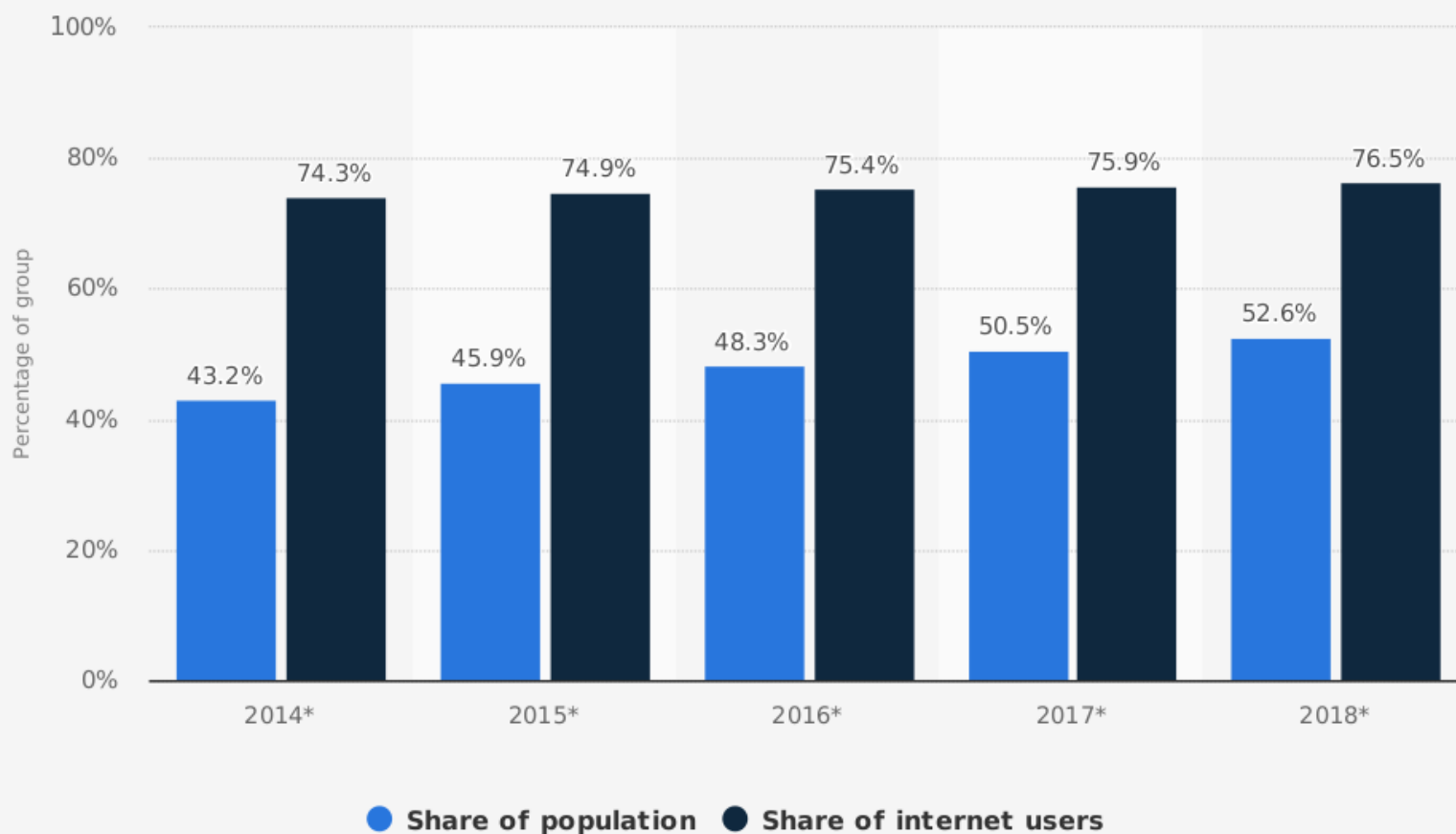
+360 MILLION



SOCIAL NETWORKING USERS WORLDWIDE BY REGION, 2011 - 2017 (In Millions)



Social network penetration in Central and Eastern Europe from 2014 to 2018



Sources

eMarketer; American Marketing Association
© Statista 2018

Additional Information:

Europe; eMarketer; 2014 to 2018