

Romanian Commodities Exchange

The right place for the profitable transactions

Mission

Continue innovation and development, exhaustive studies and predictions of the regulated commodities markets evolutions in order to offer transparent, correct and useful information and services to all participants in the market.

Long term strategies will ensure high volumes of transactions and product diversity to meet the participants needs timely and efficiently under maximum security and transparency.

RCE will employ both the traditional floor trading and the electronic trading systems in pursuing a leading role in the exchange market, domestically, regionally and internationally.

Values

Transparency - all the information with regard to RCE markets are made public

Integrity - observance of the legal regulations and internal ethical norms in place

Guarantee - transaction certification by integration of clearing services

Efficiency - quick response to market signals and participants needs

Competitiveness - continue innovation and adaptation, to the market changes and trends in behalf of all participants

„The strategy for the next period employs two major approaches. The first one will consolidate and optimize the mechanisms in place, gain the public acceptance by building a healthy and trusty relationship with the public, attract new clients. The second one will focus on continuous growth and bringing institutional investors by translating the market signals and trends into specifically tailored mechanisms and products and by partnerships with other entities abroad.

Gabriel Purice

President & CEO

„The development of spot and derivatives markets represent two main objectives of RCE's management, by which a competitive position for the commodity exchange within the business environment is assured, as an important spot for business and useful information.

The Cash market shall develop by forward contracts and by other derivatives products operations”.

Septimiu Stoica

President

RCE – REFERENCE DATA

The Romanian Commodity Exchange (RCE) – private company of public interest is the only Commodities Exchange in Romania and operates in compliance with the legal provisions in place (Law no. 357/2005).

The company

RCE's activity is based upon the support and cooperation with its 112 shareholders, that include: companies within the energetical and natural gas fields; companies within the agriculture field, construction field, transportation field, electrotechnical field, pharmaceuticals industry field, touring field; commercial banks, territorial chamber of commerce, services and financial investments companies, brokerage companies, consulting services companies.

Services offered by RCE:

Cash market

- charge stock purchase and sale on Cash market
- quotations for the materials traded on Cash market
- usage of the electronical platform for performing the transaction on Cash market

Auction market

- products, services and works procurement on Auction market
- capital assets, active assets, goods sale on Auction market
- consulting services for public procurement procedures on Auction market
- the organization and performance of public procurement procedures under European Community auspices

Other services:

- legal assistance for making the technical specification book
- exchange consulting services
- legal assistance for trading performing
- quotations for the most important fungible products
- training offered by courses or events
- exchange information in the publication "Buletin Bursier"
- general and particular information regarding the exchange trading on sites

RCE in figures: 1996 – 2008

- trading value: over 4 billion EUR
- performed transactions: over 12,000

RCE's clients

The most important clients and their fields of activity

- Transportation** – Autoritatea Aeronautică Civilă Română, Administrația Canalelor Navigabile SA Constanța, Aeroportul Internațional Constanța, Aeroportul Internațional București Băneasa "Aurel Vlaicu" SA, Aeroportul Internațional Henri Coandă București SA, Administrația Porturilor Dunării Fluviale SA Giurgiu, Administrația Porturilor Maritime S.A. Constanța, Autoritatea Rutieră Română, Societatea Națională de Transport Feroviar Călători "CFR CĂLĂTORI" SA, Societatea Națională de Transport Feroviar Marfă "CFR MARFĂ" SA, Compania Națională de Cai Ferate "CFR" – SA, Societatea Comercială de Întreținere și Reparații Locomotive și Utilaje "CFR IRLU" SA, Compania Națională de Autostrăzi și Drumuri Naționale din România SA, Registrul Auto Român, Regia Autonomă de Transport București, METROREX SA
- Communication** – Compania Națională POȘTA ROMÂNĂ SA, Compania Națională de Radiocomunicații Navale "RADIONAV" SA, SC "Telecomunicații CFR" SA
- Army** – military facilities (over 30)
- Construction** – Agenția Națională pentru Locuințe, Inspectoratul de Stat în Construcții, Centrul de Documentare pentru Construcții, Arhitectură, Urbanism și Amenajarea Teritoriului, Institutul Național de Cercetare-Dezvoltare în Construcții și Economia Construcțiilor
- Electric power** – ELECTRICA SA, HIDROELECTRICA SA, SN NUCLEARELECTRICA SA, TERMOELECTRICA SA, Compania Națională de Transport a Energiei Electrice "TRANSELECTRICA" SA, Societatea Comercială Filiala de Întreținere și Servicii Energetice "ELECTRICA SERV" SA, Centrale Electrice de Termoficare, Filiale de Distribuție și Furnizare a Energiei Electrice, Sucursale de Întreținere și Servicii Energetice Electrice, RADET
- Oil Processing** – PETROM SA, LUKOIL ROMANIA SRL, ROMPETROL DOWNSTREAM SA, RAFINARIA STEAUA ROMANA SA, ECO PETROLEUM SA, GEO GAZOIL TRANS SRL, MOL ROMANIA PETROLEUM PRODUCTS SRL, OSCAR DOWNSTREAM SRL
- Administration** – Municipal Councils - over 70, Local Councils, District Councils, General Directions of Social Assistance and Child Protection
- Culture** – kindergartens, schools, highschoools, universities, museums, theatres
- Public Health** – hospitals - over 50, institutes, ambulance services
- Justice System** – courts from Arad, Giurgiu, Neamț, Suceava; penitentiaries from Bacău, Oradea, Aiud , Harghita

1. Cash Market

The RCE is the sole administrator of this market and manages all Spot and Forward Contracts with physical delivery on a large variety of fungible products. The trading can be done traditionally and electronically.

The legal framework:

- Law 357/2005 governing commodities exchange
- G.E.O. 34/2006 governing auctioning procedures for public developments
- The RCE internal regulations governing the Cash market operations
- Trading proceedings specific for each floor

The Cash Market is structured in specialized floors:

Oil products	- oil, diesel oil, heating fuel, crude oil, lubricants, petroleum
Electric Power	- electric power
Natural Gas	- natural gas
Coal	- lignite, mineral coal
Cereals	- corn, rape, soybean, sunflower
Structural materials	- cement, sand, ballast, timber, slippers
General products	- wood, bitumen, stone, salt, live animals and animal products, grains and grain products
Fruits and vegetables	- any type of vegetables and fruits, fresh or processed
Receivables	- commercial receivables trading
Emission certificates	- CO2 emission certificates trading

Since 2007, RCE issues weekly oil products quotations for a large variety of products:

- gasoline
- heavy fuel
- light fuel
- fuel type M
- diesel oil
- crude oil 1% sulphur

The advantages

RCE Cash Market is the best solution for both private and public partners.

The commodities purchase/sale, quoted in conditions of maximum transparency and the market access are easily initiated by simply issuing a buying/selling order.

The advantages of Cash market trading:

- competitive prices as a result of proper research with regard to demand and offer
- RCE quotations system for the most important fungible products
- organized, structured and well-known market

- great number of participants on the market
- the good execution guarantee of the contracts
- greatly reduced processing time
- territorial work points, that cover 90% from the country's area

Cash Market in figures:

Trading value

2006 -2008: **265 millions EUR**

Trading value

2008: **142 millions EUR**

Performed transactions

2008: 600

Any quotations and orders to be processed are posted in real time on the web pages www.brm.ro or www.disponibil.ro .

Whom do we address?

- to the producers, traders and consumers of fungible products

The Cash market trading can be made by open outcry or electronically.

Auction Market

The Auction Market developed by RCE is organized around the interest for commodities, services and public developments. The trading can be done traditionally and electronically.

The legal framework:

- **Law 357/2005** governing commodities exchange
- **G.D. 925/2006** governing the application of G.E.O. no.34/2006 standard in public acquisitions
- **The self-regulations:** governing the auctions and awards of services and public works contracts, sale of mobile and immobile goods, state assets, goods legally confiscated or registered in state patrimonium.

The services offered by RCE on Auction Market are:

- consulting services for the appliance of public procurements procedures
- organization of procedures for products, services and works procurement
- organization of procedures for sale of mobile and immobile goods, state assets

RCE services on Auction market address to:

- private companies
- local and central public administrations
- companies subordinated or under the authority of state institutions

- private persons

The trading takes place on the exchange floor, by open outcry.

The advantages

The competitive advantages of Auction Market are:

- ❖ specialization
- ❖ experience
- ❖ RCE consulting – for public developments
- ❖ procurement services externalization – for private companies

RCE offers assistance to departments responsible for sale/procurement contracts awards, including the public ones:

- making the annual program of public procurements
- bidder qualification and selection criteria
- making the documentations
- finalizing the technical specification book
- concluding the procurement framework contract
- certified expertise
- sending the participation invitations toward potential bidders
- publication of all auctions in SEAP and communication with Finance Ministry
- procurement procedures performing
- answering to the clarification requests
- making the reports and communicate the procedure result
- manage legal complaints

Auction Market in figures:

Public procurement consulting services since G.E.O. no. 34/2006 came into force:
Period 30.06.2006 - 30.06.2008:

- Number of auctions organized – over 4,800
- Total value of awarded contracts - over 760 millions EUR
Period 01.01.2008 – 31.12.2008:
- Consulting services: 1,800 procurement and sale contracts
- Total value of awarded contracts - over 420 millions EUR

Information with regard to application procedures and auctions schedule are posted on the web too: www.brm.ro or www.achizitii.ro. Contact person with the commodities exchange in Harghita area is Mr. Tibor Benko Executive Director, Tel: 0730-715903 ; e-mail : harghita@brm.ro .