

PAKISTAN-ROMANIA RELATIONS IN THE TWENTY-FIRST CENTURY: OPPORTUNITIES, CHALLENGES, AND THE PATH TO A STRATEGIC ECONOMIC PARTNERSHIP

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Abstract

Pakistan and Romania established diplomatic relations on 15 October 1964, and for most of the Cold War period the relationship rested on Romanian technical assistance to Pakistan's oil-refining, cement, and fertilizer industries. Engagement intensified gradually after 2000 and again after Romania's accession to the European Union in 2007 and to the Schengen Area in 2024, which positioned Romania as an additional gateway for Pakistani access to EU markets. Bilateral trade in 2024 is estimated at between roughly 260 and 328 million US dollars depending on the source, still well short of the 500 million US dollar target both governments have publicly endorsed. Between 2024 and 2026 the two countries concluded a cluster of new agreements, including a port-cooperation memorandum linking Karachi and Constanța, a trade-promotion memorandum with the Pakistan-Romania Business Council, a chamber-level economic memorandum between the Bucharest Chamber of Commerce and Industry and the Federation of Pakistan Chambers of Commerce and Industry, and an information-technology forum involving more than one hundred firms. This article traces the historical development of the relationship, reviews available bilateral trade data, and evaluates the opportunities and constraints likely to shape cooperation in logistics, the digital economy, renewable energy, education, and defense. It closes with policy recommendations for translating recent agreements into a more balanced and durable strategic economic partnership.

Keywords: *Pakistan, Romania, bilateral relations, trade, Constanța Port, European Union, foreign policy*

Introduction

Pakistan and Romania are not neighbors and belong to no shared regional bloc, yet their bilateral relationship has developed steadily for more than six decades. Diplomatic relations were formalized on 15 October 1964, at a time when Pakistan's industrial base was still emerging and Romania was extending technical-assistance programs to partners outside the Soviet-aligned core of the socialist bloc (Ministry of Foreign Affairs, Government of Pakistan, n.d.). Over the following decades, Romanian engineers helped establish oil refineries and cement and fertilizer plants in Pakistan. This early industrial cooperation is not widely remembered, but it forms the foundation on which the relationship has been rebuilt in the twenty-first century.

Romania's accession to the European Union in 2007 changed the strategic weight of the relationship: Romania became a gateway to a market of more than 450 million consumers, and access improved further after Romania joined the Schengen Area in June 2024. For Pakistan, which retains preferential GSP+ access to the EU, Romania offers both a market in its own right and a logistics corridor into the wider European Union. For Romania, Pakistan is a large

and comparatively young market for agricultural products and machinery, and increasingly a partner for information-technology cooperation.

The scholarly literature on this bilateral relationship is thin. The only substantial academic treatment appears to be a 1979 article in *Pakistan Horizon* (Hasan, 1979), and little peer-reviewed work has followed. Most available information originates from official communiqués, embassy press releases, and trade databases rather than independent research. This gap is increasingly consequential: between 2024 and 2026 the relationship produced more new agreements — spanning trade promotion, chamber-level cooperation, information technology, and port logistics — than in any comparable period since 1964. These developments merit systematic analysis rather than piecemeal news coverage.

This article pursues three aims. First, it reconstructs the historical development of Pakistan-Romania relations, with emphasis on their evolution during the twenty-first century. Second, it examines available bilateral trade and investment data to establish a clearer empirical picture of economic cooperation. Third, it identifies the opportunities and constraints likely to shape the relationship going forward and concludes with policy recommendations for both governments.

Historical Foundations, 1964–2000

Pakistan and Romania established diplomatic relations on 15 October 1964 (Ministry of Foreign Affairs, Government of Pakistan, n.d.). The linkage reflected the broader logic of the Cold War: Pakistan sought technical partners beyond its principal allies, while Romania pursued a foreign policy that was, within limits, independent of the wider socialist bloc. A Cultural and Scientific Cooperation Agreement followed in July 1968, establishing a framework for educational exchange, and in July 1978 the two countries signed a Convention on the Equivalence of Certificates and Diplomas, providing for mutual recognition of secondary and higher-education qualifications (Embassy of Romania in Pakistan, 2026).

The most tangible legacy of this period is industrial rather than diplomatic. Romanian engineers and technicians assisted Pakistani counterparts in oil refining — most notably at National Refinery Limited in Karachi — as well as in the cement and fertilizer sectors through the 1960s, 1970s, and 1980s. This technical assistance contributed to Pakistan's early industrialization at a time when comparable expertise was scarce domestically. High-level political contact slowed after the Cold War, but the relationship retained an institutional basis through the Bilateral Investment Treaty concluded in July 1995, which established a legal framework for investment protection. Presidential-level visits, the last recorded in 1991 and 1995 respectively, were not repeated for the following quarter-century.

Evolution in the Twenty-First Century

High-level contact and new agreements in science, technology, education, trade, and defense resumed steadily from the early 2000s. In September 2011 the two governments signed an Agreement on Economic, Scientific and Technical Cooperation and established a Joint Commission to implement it — the most significant institutional step of this period. Cooperation under this framework subsequently broadened to energy, agriculture, machinery, renewable technology, and surgical goods, sectors that remain central to the relationship today.

Romania's 2007 accession to the European Union gave the relationship a new dimension, allowing Pakistan to treat Romania simultaneously as a bilateral partner and as a gateway to the EU single market. Cooperation expanded modestly through the 2010s via scholarships, energy-sector engagement, and EU framework programs. A 2022 visit by Pakistan's Minister of Foreign Affairs — the first ministerial-level visit to Romania in decades — marked a turning point in renewed political attention from both sides.

The period from 2024 to 2026 has produced more agreements than any comparable interval since 1964. Romania's accession to the Schengen Area in June 2024 eased business

travel and mobility. In July 2024, the Romanian Embassy and the Pakistan-Romania Business Council (PRBC) signed a memorandum of understanding to promote bilateral trade. In August 2025, the Bucharest Chamber of Commerce and Industry (CCIB) and the Federation of Pakistan Chambers of Commerce and Industry (FPCCI) signed an economic memorandum intended to facilitate market access for firms on both sides. The first Romania-Pakistan Information Technology Forum, held in November 2025, drew more than one hundred companies, including UiPath, Bitdefender, and Systems Limited. In March 2026, the Port of Constanța and the Karachi Port Trust (KPT) signed a memorandum of understanding to establish a Black Sea-Danube shipping route for Pakistani exports to the European Union and formed a joint working group to operationalize it. Alongside these economic instruments, Romania opened an honorary consulate in Peshawar, and the National University of Modern Languages (NUML) launched Pakistan's first Romanian-language and Romanian-studies program. Table 1 summarizes the principal agreements and institutional mechanisms concluded since 1964.

Table 1 *Key Agreements and Institutional Mechanisms in Pakistan-Romania Relations*

Year	Instrument	Area	Significance
1964	Establishment of diplomatic relations	Political	Formal start of bilateral ties
1968	Cultural and Scientific Cooperation Agreement	Culture, education	Foundation for later education equivalence
1978	Convention on Equivalence of Certificates and Diplomas	Education	Mutual recognition of qualifications
1995	Bilateral Investment Treaty	Investment	Protection and promotion of investment
2011	Economic, Scientific and Technical Cooperation Agreement	Economic, S&T	Established Joint Commission; broadened sector coverage
2024 (Jul)	MoU, Embassy of Romania and PRBC	Trade promotion	Framework for business-council support
2025 (Aug)	MoU, CCIB and FPCCI	Economic, business	Chamber-level cooperation and market access
2025 (Nov)	Romania-Pakistan IT Forum	Digital economy	First forum linking over 100 companies
2026 (Mar)	MoU, Port of Constanța and Karachi Port Trust	Maritime, logistics	Black Sea-Danube export route established

Note. Data compiled from Ministry of Foreign Affairs, Government of Pakistan (n.d.), Ministry of Foreign Affairs of Romania (n.d.), and contemporaneous press reports listed in the reference list.

Economic Dimension: Trade and Investment

Trade is the most quantifiable dimension of the relationship, though sources diverge on specific figures. The Observatory of Economic Complexity (OEC) places total bilateral trade in 2024 at approximately 328 million US dollars, while Romanian official sources cite approximately 260 million US dollars. Despite this discrepancy, all sources agree on the underlying trend: Romania runs a consistent trade surplus with Pakistan.

Table 2 reports bilateral trade series from 2019 to 2025. Pakistani exports to Romania grew from approximately 34 million US dollars in 2019 to approximately 72 million US dollars

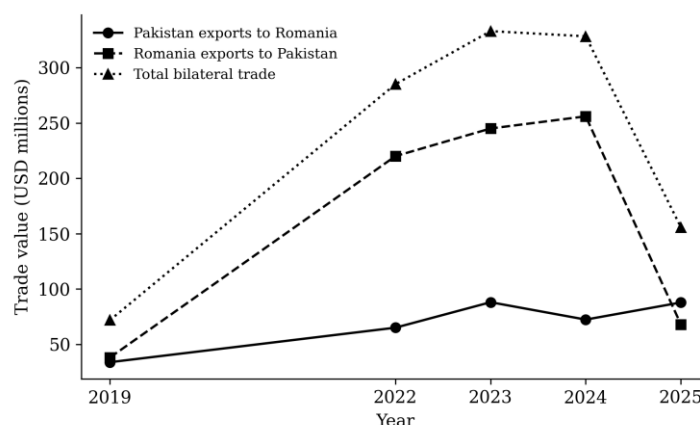
in 2024, an annualized growth rate of roughly 16 percent, driven mainly by textiles, home linens, and apparel. Romanian exports to Pakistan grew far faster over the same period, from approximately 38 million US dollars to approximately 256 million US dollars, an annualized rate of roughly 46 percent, led by wheat, rapeseed, machinery, and vessels. This asymmetric growth has widened the trade balance in Romania's favor even as total trade has expanded.

Table 2 *Bilateral Trade Statistics, Pakistan and Romania, 2019–2025 (USD millions)*

Year	Pakistan exports to Romania	Romania exports to Pakistan	Total bilateral trade
2019	33.80	38.00	71.80
2022	65.00	220.00	285.00
2023	88.00	245.00	333.00
2024 (OEC)	72.30	256.00	328.30
2024 (Romanian MFA)	64.04	195.97	260.01
2025 (partial)	87.76	67.98	155.74

Note. Values are in United States dollars, millions. The 2025 figures are partial-year data. Data compiled from the Observatory of Economic Complexity (2025), Trading Economics (2025), and the Romanian Ministry of Foreign Affairs, as reported by CCIB officials.

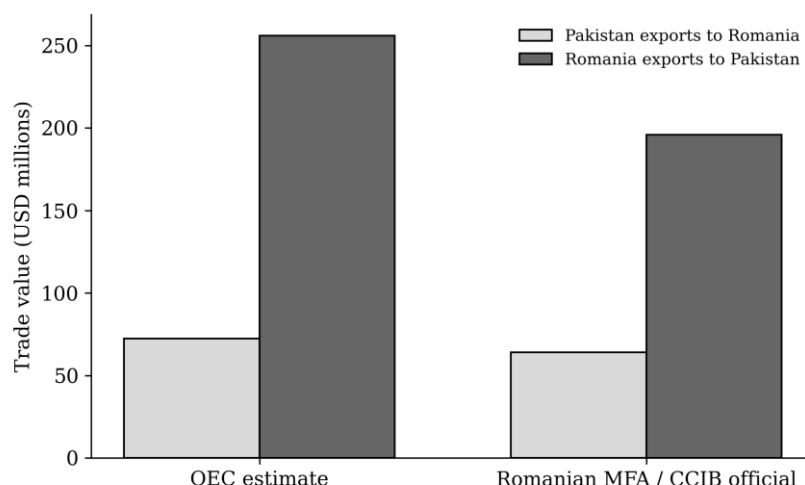
Figure 1 *Bilateral Trade Trend, Pakistan and Romania, 2019–2025*



Note. Data points for 2020 and 2021 are omitted owing to limited source availability. Figures for 2025 reflect partial-year reporting.

Figure 2 compares the two leading estimates of 2024 bilateral trade. The gap between the OEC and Romanian official figures is approximately 68 million US dollars in total trade — a reminder that these statistics should be read as indicative orders of magnitude rather than precise values.

Figure 2 *Comparison of 2024 Trade Estimates by Source*



Note. OEC = Observatory of Economic Complexity. CCIB = Chamber of Commerce and Industry of Bucharest.

Beyond trade volume, Pakistan's GSP+ access to the EU market — currently secured until 2027 — gives Romania continued relevance as a gateway for Pakistani exports. The 1995 Bilateral Investment Treaty remains in force and provides a legal instrument for investment protection, but recorded investment flows in either direction remain small relative to trade. Both governments have publicly reaffirmed a target of 500 million US dollars in annual bilateral trade, a figure well above the current volume.

Opportunities

Several areas offer scope for deeper cooperation. Logistics is foremost: the March 2026 memorandum between the Port of Constanța and Karachi Port Trust envisions a new export route for Pakistani goods via the Black Sea and the Danube to the European Union. If fully operationalized, this route could shorten the traditional maritime lanes used for Pakistani exports. Ambassador-level discussions since 2025 have advanced the proposal, and the Islamabad Chamber of Commerce and Industry has expressed support for the corridor as a means of reaching the 500 million US dollar trade target.

The digital economy is the second growth area. Follow-up meetings after the November 2025 Information Technology Forum brought together more than one hundred firms — including UiPath, Bitdefender, and Systems Limited — with Pakistani officials, including the Minister of Information Technology. Both sides have discussed cooperation on cybersecurity, artificial intelligence, and the Internet of Things, with Romania's EU membership offering potential access to Digital Europe and Horizon Europe funding.

Renewable energy is a third opportunity. During a visit by Pakistan's Minister of Commerce, the Romanian Ambassador indicated Romania's willingness to transfer solar and wind technology to Pakistan. Such cooperation could help address Pakistan's energy deficit, support its energy transition, and open a new market for Romanian renewable-technology exporters.

Agriculture, education, defense, and industrial investment present further possibilities. Agricultural trade, particularly wheat and rapeseed, already anchors Romanian exports to Pakistan, and there is scope for value-added joint ventures on both sides. The 1978 diploma-equivalence convention remains a foundation for education cooperation, complementing new access to Erasmus+ and Horizon Europe and the Romanian Studies program at NUML. Defense cooperation remains limited but includes counterterrorism training and information exchange. Investment opportunities include Romanian participation in Pakistani Special Economic Zones and joint ventures in pharmaceuticals and surgical-goods manufacturing,

where Pakistan's GSP+ access could give Romanian partners more competitive entry to EU consumer markets.

Table 3 Opportunities in Pakistan-Romania Relations by Sector

Sector	Opportunity	Evidence	Potential impact
Trade and logistics	Constanța Port as a gateway to the EU via the Black Sea and Danube	Port MoU, March 2026; ambassadorial proposals, 2025–2026	Diversified logistics; access to 450 million EU consumers
Digital economy	Joint ventures in software, cybersecurity, AI, and IoT	IT Forum, November 2025, over 100 firms	IT export growth; access to skilled talent
Renewable energy	Romanian solar and wind technology transfer	Commerce Minister meeting, August 2025	Support for Pakistan's energy transition
Agriculture	Value-added joint ventures in wheat, rapeseed, textiles	Ongoing trade-composition data	Food security and export diversification
Education	Erasmus+, Horizon Europe access, Romanian Studies program	NUML program launch, 2025	People-to-people ties and skills growth
Investment	Romanian FDI in Pakistani SEZs; pharma and surgical-goods JVs	Historic industrial role; GSP+ access	Job creation and technology transfer

Note. SEZ = special economic zone. JV = joint venture. Data compiled from official statements listed in the reference list.

Challenges

The relationship also faces real constraints. The most basic is low trade volume: at its recent peak, bilateral trade of approximately 328 million US dollars remains modest relative to each country's overall trade with the rest of the world, and the publicly stated 500 million US dollar target has yet to be reached.

A related concern is the persistent trade deficit. Pakistani exports to Romania — mainly agricultural products and vessels — remain three to four times smaller than Romanian exports to Pakistan. Narrowing this gap will likely require Pakistan to expand exports of higher-value goods such as information technology services, pharmaceuticals, and surgical instruments rather than relying on traditional commodities.

Geography imposes a further constraint. No dedicated maritime corridor existed between the two countries until the 2026 Constanța memorandum, and its operationalization depends on the joint working group established for that purpose. High-level political engagement has also been thin: Romanian diplomatic records show no presidential visit since 1991 and no prime-ministerial visit since 1995, making the 2022 foreign-ministerial visit a notable exception rather than the norm.

Structural differences between the two economies compound these constraints. Romania, as an EU member, has an Economic Complexity Index (ECI) near 0.99, while Pakistan's ECI is negative, reflecting a different stage of industrial development. This gap can be read either as a sophistication deficit in Pakistani manufacturing or as complementarity — Pakistani labor-intensive manufacturing paired with Romanian machinery and agro-technology. Private-sector awareness of the relationship also remains limited, since sustained business-to-business engagement is a recent development. Finally, external factors shape the relationship on both sides: Pakistan's regional security environment, and Romania's own strategic preoccupations with NATO, EU policy, the Black Sea, and the war in Ukraine.

Table 4 *Challenges in Pakistan-Romania Relations by Category*

Challenge	Description	Evidence	Mitigation
Low trade volume	Trade remains modest relative to potential	Official statements; 500 million dollar target still aspirational	Port MoU, B2B forums, tariff reform
Trade imbalance	Romanian surplus far exceeds Pakistani exports	OEC and MFA data show a 3-4x gap	Higher-value Pakistani exports in IT and pharma
Logistics distance	No direct corridor until 2025-2026	Constanța MoU only matured in 2025-2026	Operationalize the joint working group
Limited high-level visits	Few presidential or PM visits in decades	Last visits 1991 and 1995; FM visit 2022	More reciprocal high-level visits
Asymmetric economies	Different development levels and ECI scores	OEC rankings; GDP per capita gap	Leverage complementary strengths
Awareness gaps	Limited private-sector familiarity	IT Forum and chamber MoUs are recent firsts	Institutionalize PRBC and chamber engagement
External geopolitics	Competing regional priorities for both sides	General foreign-policy context	Focus on non-controversial economic tracks

Note. ECI = Economic Complexity Index. B2B = business to business. PRBC = Pakistan-Romania Business Council.

Policy Recommendations

Five steps could help sustain the recent wave of agreements. First, both governments should treat the Constanța-Karachi port memorandum as an implementation priority rather than a symbolic gesture; the joint working group it created should operate on a public timeline with regular progress reporting.

Second, the Joint Commission established under the 2011 Economic, Scientific and Technical Cooperation Agreement should meet on a regular schedule rather than ad hoc, giving businesses and officials a predictable venue for developing concrete proposals.

Third, both sides should encourage further high-level visits, including at the head-of-state or head-of-government level. The 2022 foreign-ministerial visit signaled renewed political attention; a presidential or prime-ministerial visit would send a stronger signal to investors on both sides.

Fourth, trade-promotion bodies should institutionalize regular missions and exhibitions rather than one-off events, building on the momentum of the Pakistan-Romania Business Council and the Bucharest Chamber-FPCCI channel. The Information Technology Forum could similarly be extended to renewable energy, agriculture, and other sectors on an annual basis.

Fifth, the two governments should explore joint research under Horizon Europe, further ease visa procedures given Romania's Schengen membership, and consider establishing additional honorary consulates or cultural institutes beyond Peshawar, particularly in Karachi and Lahore, where economic and commercial activity is concentrated.

Conclusion

The Pakistan-Romania relationship has moved well beyond its origins in Cold War-era technical assistance toward a broader set of modern economic and institutional instruments. Between 2024 and 2026 alone, the two countries concluded a business-council memorandum, a chamber-level economic agreement, an information-technology forum, and a port-cooperation memorandum, marking the most intensive period of institution-building in the relationship's history. Trade has grown, but remains modest and unbalanced, and the agreed 500 million US dollar target has not yet been met. Cooperation in logistics, the digital economy, renewable energy, education, and industrial investment is no longer purely aspirational, as agreements increasingly translate into concrete mechanisms. Whether these opportunities produce lasting results will depend on sustained implementation and continued political will on both sides.

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