

**STATEMENT BY ROMANIA**

MADE 15 JUNE 2004

**AT THE UNITED NATIONS CONFERENCE  
ON TRADE AND DEVELOPMENT**

**Eleventh Session**

**São Paulo, Brazil  
13-18 June 2004**

UNCTAD XI  
Sao Paulo, 14-18 June, 2004  
General statement

## ROMANIA

Statement by H.E. Mr. Adrian MITU,  
Undersecretary of state  
Ministry of Economy and Commerce

**Mr. Chairman,**

First of all allow me to join my predecessors in expressing our deep congratulation for your election as a Chairman of the Conference. The Romanian delegation is ready to work with you, together with other delegations, in order to ensure the success of the Conference.

My sincere appreciation goes to the Secretary General of UNCTAD, Mr. Rubens Ricupero for his personal contribution to this Conference, which represents for us a good impetus, a starting point in reaching a positive outcome of UNCTAD XI.

And last but not least I would like to express our gratitude to the Brazilian Government for the hospitality and excellent working conditions provided for the Ministerial Conference.

**Mr. Chairman,**

Some 40 years ago, UNCTAD was created as a focal point in the UN for the integrated treatment of trade and development and interrelated issues in the areas of finance, technology, investment and sustainable development.

The 11<sup>th</sup> Conference in Sao Paulo represents an opportunity to strategically orientate UNCTAD to meet the new challenges of the coming years.

UNCTAD XI is an opportunity to reflect on the contribution of UNCTAD in designing strategies adapted to an international environment characterised by globalisation, that could yield benefits for all nations. It is also a time to reflect on the changing role of UNCTAD and to agree on priorities which will ensure that UNCTAD continues to contribute substantially to the implementation of internationally agreed development goals and to the beneficial integration of developing countries and LDCs into the international trading and economic system.

Our challenge today is to try to create **a greater coherence between national development strategies and international processes and negotiations** – notably in the field of trade, investment, finance and technology. This objective is

recognized as most needed in order to gain the growth momentum necessary to foster sustainable development.

**Mr. Chairman,**

Globalisation, as an economic phenomenon, but also political, cultural and ideological one is not something new. What is now characteristic for the phenomenon lies in its amplitude, on the one hand, and the tools through which it works on the other. During each and every stage of it there were both specificity and common traits. The common trait is posed by a need to find new outlets, to make trade as free as possible, to make it an easy access for everyone to resources, particularly the one significantly impacting the economic development. The technical and technological progresses, the scientific reality and innovation have also provided dynamism and magnitude to globalisation, irrespective of the moment when it occurred.

The globalisation process has always been, whatever its scale or motivations, an integrating one. Society itself, bearing both the positive and negative consequences of the globalisation, is undergoing a process of integration into a wider economic, social and cultural realm, driven by the forces underpinning the globalisation phenomenon. It is only an active attitude, of consciously agreeing to the process, of using it as a tool for achieving clear-cut goals such as democratisation, economic and social development, that can be a benefit for the countries undergoing globalisation and integration.

Romania is both subject and player of the changes triggered by globalisation. Its integration into the process is achieved through two different institutional mechanisms. As a nation, Romania is part of the process as a member of the UN, the WTO, the IMF and the World Bank. On the other hand, given the close perspective of accession to the European Union, Romania's full integration into the process of globalisation will be achieved through an integrated economic area.

Within the globalisation process, the shift of the emphasis from the nation-states as players in the process to globalisation involving economic and political integrated regional markets represents a new challenge to the international community. Under these new international circumstances, the developed countries are called to assume responsibilities as global players, to make a better contribution to the establishment of a new world economic architecture capable of countering the negative effects of globalisation, by turning to better account its advantages.

The Millennium Declaration, Johannesburg Plan of Action and the Monterrey Consensus called for making up an international alliance, aimed at allocating, in an equitable way, the resources for financing sustainable development and strengthening multilateral cooperation aimed at solving the economic, financial, commercial and social problems. Without a fair allocation of funds for development, the national efforts to mobilize the domestic resources remain without the expected results. For Romania, ensuring a complementarity between domestic and external

financial resources for a sustainable development is a central goal of its economic and social policies.

But, still we have to recognize that growth and development mainly depend on consistent development strategies pursued at national level. And we should put emphasis on the role of national policies in order to identify effective policies and other prerequisites for growth and development.

Also, regional integration plays a crucial role in promoting sustainable development, building dynamic and effective markets and attracting local, regional and foreign investment.

For our country, the political stability, good governance, rule of law and the availability of human resources are the necessary pre-conditions for growth and development. These factors are to be complemented by adequate fiscal, legal and institutional policies to promote investment, successful integration in the global economy and better adaptation to external shocks and changes in the international environment. The quality of the governing act becomes critical for the economic and social success of every country. The key elements of good governance are: solid and functional democracy, institutions worthy of respect and enjoying authority, and strengthened citizenship as an individual's quality of observing the democratic values and taking on responsibilities.

**Mr. Chairman,**

It is our conviction that the framework established by the Bangkok Plan of Action should continue to define UNCTAD's areas of work for the years to come. Greater coordination should be sought among the three major pillars of UNCTAD's activities, namely, research and analysis, consensus-building and technical cooperation. UNCTAD's capacity to undertake research and analysis on macroeconomic policies, finance, debt, investment and interdependence should be strengthened. The results of such analysis should support UNCTAD's activities in consensus building.

We salute and support the coordinating role of UNCTAD in promoting the global strategies for development. UNCTAD's technical assistance should focus on agreed priorities and areas in which it has comparative advantage, and which contribute to the integration of developing countries into the world trading system. Given the increasing recognition of the need for development strategies, which are specific to the context of each country, support should be grounded in strong local knowledge and input. It should also be based on comprehensive needs assessment and be fully coordinated with the activities of other donors.

**Mr. Chairman,**

To attain growth, the developing countries and LDC's need to build their productive capacity and improve the international competitiveness of their companies. Domestic investment and enterprise development play a critical role in this process.

The achievement of this objective requires pursuing active policies aimed at creating a conducive investments policy climate, building technological capabilities, developing human resources and strengthening production structures.

In this context we have to underline the importance of continuation of UNCTAD's assistance to developing countries and LDCs in building stronger supply capacities and attracting investments to benefit more from an increasingly interdependent world economy.

**Mr. Chairman,**

The outcomes of major recent international summits have underscored the importance of a development-friendly international trading system to fully obtain the benefits of the positive linkages between trade, development and poverty eradication. These include the Millennium Declaration, Johannesburg Plan of Implementation, the Monterrey Consensus and the Doha Work Programme.

It is generally agreed that there is no better alternative than the multilateral trading system in promoting the objective set out in the Millennium Declaration of an "open, equitable, rule-based, predictable and non-discriminatory multilateral trading system" in pursuit of development and poverty eradication. Trade is not an end in itself but a mean towards a balanced, equitable and sustained development. Development, was in the end the best contribution to peace, equity and stability.

Trade policies can serve as an important development instrument and therefore should be consistent with national development goals such as growth, economic transformation and production, diversification, export value-added, employment expansion, poverty eradication, gender equity, human development and sustainable use of natural resources.

UNCTAD should further support developing countries and LDCs in the formulation, implementation and review of national trade policies with a view to maximizing the development benefits of trade.

At the same time in support of multilateral trade negotiations, UNCTAD should continue to help these countries to develop their capacities to participate actively and fully and derive maximum benefits from the multilateral trading system. When I am referring to capacities I have in mind: formulating trade and trade-related policies and options, strengthening human, institutional and regulatory frameworks and infrastructure.

**Mr. Chairman,**

Romania supports the UNCTAD's closer cooperation with other international organizations as UN regional commissions, IMF, World Bank, WTO, UNDP, UNIDO, ILO and others. At the same time we underline the need of an efficient coordination with such international organizations with a view to avoiding duplication, attracting new donors and increasing output from future projects. We are convinced

that strengthening partnerships will help all actors to contribute more effectively to the achievement of the Millennium Development Goals.

As a Central European country, Romania experiences a large number of profound and fundamental transformations in the effort of completely turning into a market economy. As a founding Member of WTO and an associated country to European Union, Romania is facing the challenge of enhancing competitiveness for a better access on the global market, observing at the same time the fulfilment of its international commitments.

The efforts in bridging the gap between national and international competitiveness were strongly supported by UNCTAD through its technical assistance provided during the last years.

The wide range of activities developed by UNCTAD in Romania show undoubtedly that UNCTAD is one of the main technical assistance provider, working together with the government and governmental bodies for trade development. I shall mention some of these programmes: ASYCUDA for customs area, DMFAS for Romanian Central Bank, TRAINMAR with the purpose of training in the field of harbour and harbour area management, TRAINFORTRADE for training the personnel in the field of foreign trade. More recently has been put in place a programme for supporting the small and medium enterprises, called EMPRETEC.

The long term cooperation between UNCTAD and various institutions from Romania is also a result of the flexibility shown by UNCTAD in adapting to the request expressed by the cooperating parties toward finding the most proper methods of addressing the specific needs of the public and business community.

**Mr. Chairman,**

We would like to express our confidence that UNCTAD will continue its efforts, in line with other international organizations, in building consensus, undertaking analysis and providing capacity building on policies and options on globalization from a development perspective. We recognize the importance of UNCTAD's continued support to our efforts in the implementation of the development dimension in the multilateral trade negotiations and trading system.

We are deeply convinced of the need to create a new spirit of international cooperation based on the principle of achieving shared benefits, but also based on common but differentiated responsibilities. The successful, development-friendly conclusion of UNCTAD XI will go a long way towards achieving greater **coherence between national development strategies and international processes and negotiations.**

**Thank you, Mr. Chairman**