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ROMANIA

Statement by H.E. Mr. Mikai Berinde Vice-Minister of Industry and Trade

It is a great pleasure for me to be able to present the position of the Romanian authorities to this Third Ministerial Conference of the WTO, which will be reviewing the functioning of the multilateral trade system as established on an expanded basis and reinforced by the Final Act of the Uruguay Round and which will above all be taking appropriate decisions to meet the challenges arising at the start of the third millennium.

As a founding Member of the WTO, Romania remains firmly committed to the principles and rules of the world trading system and will continue its endeavours to consolidate and develop that system in concert with the other Members, be they large, medium-sized or small, or economies that are developed, developing or in transition.

Trade liberalization on the basis of multilateral rules discourages isolationist or even protectionist temptations and does much to foster an atmosphere of cooperation, understanding and peace among nations.

The WTO system has demonstrated its strength over the past five years and has helped to keep world trade growing at a rate higher than that of production. It has also helped to further the reforms courageously launched at the beginning of this decade by a number of Members, including Romania, in a process of transition towards a market economy. It should also be underlined that multilateralism and regionalism are proving to be complementary and mutually reinforcing. On balance, the system has also responded satisfactorily to the financial and economic crises that have hit some parts of the world. It has undoubtedly checked the resort to protectionism, thereby playing a part in overcoming these crises. Yet, being engendered chiefly by technological advances, globalization does present new challenges and, *inter alia*, raises the need to overcome some of the negative side effects attendant on its achievements.

At the same time, the universal nature of our Organization is being increasingly confirmed by the accession of new Members since the last conference, and further, by the long list of ongoing membership discussions. It is against this backdrop that we take the opportunity to say how grateful we are at the considerable headway made in regard to membership for China.

Romania's economy and society have been pursuing with increased determination a process of transition from a highly centralized economy towards a market economy.

In spite of difficult conditions, both domestic and external, we must point out that Romania has resisted all protectionist pressures and continued the process of opening up its economy, putting in place an open trade policy. That represents my country's contribution to the multilateral trading system.

Romania is determined to maintain a trade policy that is consistent with WTO rules though without losing sight of its own developmental, commercial and financial needs. It will therefore be continuing to liberalize trade on the basis of policies adopted on a multilateral and regional basis.

In the circumstances, Romania believes that the launching of a new round of multilateral negotiations should be broad-based, so as to accommodate the interests of all Members and to produce balanced and fair results that will yield tangible benefits for every nation.

It is clear that the time has now come to inject a greater measure of pragmatism and realism into the activities of our organization. This is why we believe that the foundations of the forthcoming multilateral trade negotiations must be an acquaintance with and recognition of existing realities in the sectors to be addressed by those negotiations, as well as ongoing dialogue with business communities and non-governmental organizations.

In agriculture, the new round of negotiations should give fresh impetus to the long-term programme of reform as envisaged in the Agreement on Agriculture. Future talks should produce new commitments in regard to market access, harmonized disciplines for the tariff quota administration, further reductions of all forms of export assistance and domestic support measures, while bearing in mind the specific interests of developing countries and transition economies. The negotiations should also help to establish an equitable and market-driven system of trade in farm produce. In line with this objective, already included in the Agreement on Agriculture, importing Members facing economic difficulties in sustaining and reforming their agriculture should benefit from greater market opening for their exports. At the same time, they should be authorized to carry out their tariff reduction commitments by reference to the export subsidy and domestic support system being utilised by exporters.

Negotiations on market access for goods and services should create new opportunities for the harmonious development of trade. To arrive at such an approach, allowance must also be made for the accelerated integration of the textiles trade into the multilateral framework. At the same time, there should be negotiations aimed at developing, strengthening or further clarifying existing rules, as well as discussions to establish rules and disciplines and work programmes in other areas. In this connection, it would be useful, *inter alia*, for the existing provisions on trade protection to be further clarified so as to exclude the possibility of using them to circumvent market-opening commitments or to erect new barriers to trade.

The justified expectations of developing countries and transition economies should also be given appropriate responses so that the multilateral trade system can provide greater support to their development. Bearing in mind the experience acquired over the first five years of the WTO's existence and the need to meet the challenges of globalization that is making our economies ever more interdependent, the principle of special and differential treatment should be reinforced in WTO rules, while at the same time preserving the coherence of the multilateral system. In parallel, these countries should receive greater technical assistance in order to build their capacity to participate in the negotiations and enable them to create the institutional infrastructure to implement the rules agreed upon.

Those are our comments on the new Millennium Round and the way things should evolve on the basis of the principles and objectives mentioned earlier. We must succeed in this.
