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COMMITTEE ON CONTRIBUTIONS
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OBSERVATIONS OF ROMANIA

The following communication dated 17 June 1982, addressed to the Chairman of the Committee on Contributions by the Permanent Mission of Romania to the United Nations is submitted to the Committee for consideration.

"In view of the present discussions in the Committee on Contributions on the future scale of contributions to the expenses of the United Nations, I have the honour to submit to you the following considerations:

- 1. Romania is a developing country and has all the basic characteristics of such a country. In order to bring about the gradual narrowing of the economic gap which separates it from the advanced countries, the Romanian Government has made strenuous efforts to develop the economy by allocating a substantial part of the national income to this purpose, a policy which will also be continued in the future.
- 2. The Romanian economy has suffered considerably in recent years from a number of catastrophes and successive natural disasters and from the effects of the present world economic crisis.
- a. At the beginning of July 1975, heavy flooding affected almost the whole of Romanian territory, adding to the damage already caused by the 1970 floods. Hundreds of localities and industrial and agricultural units were flooded and seriously damaged. Nearly 1 million hectares of crops, about 200 enterprises, railways and roads, electricity and telecommunication networks also were seriously damaged.
- b. On 4 March 1977 an earthquake of unusual destructive force struck the capital, Bucharest, and nine departments of the country, causing immense material damage and loss of human life. Several urban and rural centres were destroyed, tens of thousands of dwellings and other buildings collapsed, several tens of thousands of families remained without shelter and nearly 800 economic units were seriously damaged.

The damage caused by this earthquake very seriously affected Romania's economy and reduced its national income by \$2 billion. In addition, nearly 2,000 human lives were lost and 12,000 persons were injured, some very seriously.

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c. The unfavourable climatic conditions of recent years, especially in 1980 and 1981, caused important losses in agricultural production.

Consequently, the quantities of agricultural products intended for export have been lower than the needs and possibilities of normal agricultural years, a fact which has been reflected in a substantial reduction in export earnings.

d. The world economic crisis has had substantial direct and indirect repercussions on the Romanian economy and has slowed down its general tempo of development.

Romania has had to import oil, other fuels, raw materials and technology at prices which have become steadily higher.

Furthermore, the conditions governing the access of Romanian products to the world market have become worse and this has steadily reduced Romania's possibilities of obtaining the financial resources necessary for normal participation in international economic relations.

At the same time, an unprecedented increase in interest rates and the sharp reduction in credits extended to Romania has led, in recent years, to a steady deterioration in the payment capacity of the country.

The external debt of Romania reached a figure of more than \$10 billion, by the end of 1981, compared with \$2.8 billion in 1976.

- 3. With regard to international tourism, which normally constitutes one of the possibilities of obtaining foreign exchange, Romania has recorded, in recent years, a slow annual rate of growth in tourist revenue (2.6 per cent in 1977; 6.7 per cent in 1980, followed by a reduction of 6.5 per cent in 1981).
- 4. As compared with other European countries, the national income of Romania includes an important volume of production which is not in the form of goods (self-consumption of agricultural producers, construction and repairs of buildings by the population etc.). These activities represented in 1980 more than 12 per cent of the total national income of the country.

I hope that during the calculation of the contribution of Romania to the expenses of the United Nations for 1983-1985, the facts and data set forth above will be duly taken into consideration by the Committee on Contributions at its present session so that the contribution allocated to Romania will be as low as possible."