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LETTER DATED 29 JANUARY 1993 FROM THE CHARGE D'AFFAIRES A.I.
OF THE PERMANENT MISSION OF ROMANIA TO THE UNITED NATIONS
ADDRESSED TO THE SECRETARY-GENERAL

Upon instructions from my Government, I have the honour to transmit herewith the memorandum of the Government of Romania regarding losses, damages and economic difficulties sustained by Romania as a result of the implementation of Security Council resolutions 757 (1992) and 787 (1992).

Accordingly, the Romanian Government is requesting consultations with the Security Council with a view to taking urgent measures for overcoming the specific economic difficulties arising from the observance and implementation of the sanctions against the Federal Republic of Yugoslavia (Serbia and Montenegro) imposed by Security Council resolutions 757 (1992) and 787 (1992) on the basis of Article 50 of the Charter of the United Nations in order to find appropriate solutions for compensation.

I would be grateful if your forthcoming report on the implementation of resolutions 757 (1992) and 787 (1992) would draw the attention of the Security Council to the very difficult problems confronting Romania as a result of sanctions against Yugoslavia, as well as the possibilities for rendering assistance to my country by the world Organization and its Member States.

I would like to convey the hope of the Romanian Government that the most serious effects on Romania, resulting from the implementation of the sanctions on Yugoslavia, will be examined with utmost attention and willingness by the Security Council in adopting appropriate recommendations in order to compensate the severe losses my country is confronted with.

I would highly appreciate it if you would circulate the present letter and the attached memorandum to the members of the Security Council and as a document of the Council, to be considered in accordance with Article 50 of the Charter.

(Signed) Valeriu FLOREAN
Chargé d'affaires a.i.

Annex

Memorandum of the Government of Romania regarding losses, damages and economic difficulties sustained by Romania as a result of the implementation of Security Council resolutions 757 (1992) and 787 (1992)

1. The memorandum submitted to the Secretary-General of the United Nations regarding measures undertaken by the Government of Romania in pursuance of Security Council resolution 757 (1992) concerning the sanctions against the Federal Republic of Yugoslavia (Serbia and Montenegro) (S/24142) in a preliminary manner noted with deep concern that those measures would lead to considerable economic and financial losses and damages to Romania and to legal entities and physical persons doing business with partners from the Federal Republic of Yugoslavia. In addition to that, the implementation of the provisions of Security Council resolutions 757 (1992) and 787 (1992) has generated further major disturbances in the carrying out of other economic activities in Romania.

2. As compared to the preliminary estimations contained in document S/24142 the competent Romanian authorities have undertaken a careful examination of the overall negative impact on Romania's economy as a result of the implementation of the sanctions against the Federal Republic of Yugoslavia (Serbia and Montenegro).

3. By the end of 1992, direct and indirect losses and damages to the Romanian economy incurred since the beginning of the sanctions were estimated at approximately US\$ 7 billion. The negative impact of the sanctions has seriously affected all branches of the economy and most of the important economic sectors were severely damaged, as follows:

(a) Industry, where, as a result of disrupted production links, cancelled shipments of commodities and raw materials and unsold goods, the estimated losses amount to US\$ 3 billion. The greatest damages were recorded in the machine-building industry, petrochemistry, chemistry and metallurgy;

(b) Transport, where, owing to the cancellation and detour of Romanian airlines flights, disruption of the transportation of cargoes and passengers and of the trade activities of the Romanian State railways, and difficulties in navigation along the Danube, the damages amount to US\$ 0.1 billion;

(c) Agriculture and the food industry, where the damages and losses amount to US\$ 2.7 billion;

(d) Tourism, where, as the flow of tourists has recorded a considerable decrease, the losses incurred amount to approximately US\$ 0.6 billion;

(e) Unreceived custom taxes and losses caused to other sectors of activity amount to US\$ 0.6 billion.

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4. Alongside the direct and indirect damages and losses, the implementation of the sanctions has had negative economic and social consequences, further aggravating the effect on the Romanian economy, which is currently faced with a serious economic crisis due to the transition period. The social impact is illustrated by increasing unemployment, lack of consumer goods and migration of the labour force.

5. The overall effect of all losses and damages incurred makes it absolutely necessary for Romania to receive financial and technical assistance from the international community, in particular from the industrialized countries, which would compensate for the considerable losses and damages.

6. Therefore, Romania would like to exercise its right, under Article 50 of the Charter of the United Nations, to hold consultations with the Security Council with a view to taking urgent measures for overcoming the specific economic difficulties arising from carrying out the sanctions against the Federal Republic of Yugoslavia (Serbia and Montenegro) imposed by Security Council resolutions 713 (1991), 757 (1992) and 787 (1992).

7. The Government of Romania reaffirms its determination to observe the provisions of Security Council resolutions 713 (1991), 757 (1992) and 787 (1992). At the same time, the Government of Romania reiterates its hope that all interested parties will do their best for the final and peaceful settlement of the Yugoslav crisis, so that the sanctions established by the Security Council be terminated as soon as possible.
