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Romania seeks to boost economic ties

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I HAVE a lot to learn about the country, its people and its system. Being so new to Malaysia, as I arrived barely two months ago, I am trying to fit myself into the society.

To be honest, I am beginning to feel at home, thanks to the friendly environment which makes strangers like me easily getting enchanted.

Just like any other diplomats, I feel the urge to discover the truth about this country, as what many other Romanians had learnt about.

I notice some similarities about Romania and Malaysia - both have a population of about 22 million and are multi-ethnic and multi-religion. Both countries also used to undergo more or less identical histories.

Among the 45 sovereign states of Europe today, Romania ranks as medium-sized. Its history and civilisation have been marked by its location at the crossroads of three major regions namely central Europe, Eastern Europe and the Balkans which belong to none but share their drawbacks and achievement together.

The Romanians, the sole descendents of the Eastern Romans, were born, like any other Latin peoples, in the first millennium AD.

During the Middle Ages, they lived in three distinct but neighbouring principalities namely Wallachia, Moldavia and Transylvania. Throughout their history, the Romanians have found themselves at the confluence of the frontiers of several powerful kingdoms and empires.

Thus the Romanians territories have been an area of dispute and interference. In spite of their large neighbours, the Romanians succeeded in preserving their policy, language, religious faith and culture.

Today, Romania is one of the emerging markets in Europe. With closer relations with neighbouring countries as well as with the rest of the world, Romania has managed to position itself on the world's business map.

Our country is a gateway linking Asia-Pacific countries with Europe by the shortest sea way, using its travelling terminals of the Black Sea ports and the Danube channel, and also the river between the Black Sea and the Nord Sea.

Romania, too, like Malaysia, is mobilising its resources to enhance the economic strength.

Of the country's total area, 39.6 per cent is covered with arable land, 26.7 per cent forests, 19.9 per cent pastures and hayfields, 2.5 per cent vineyards and orchards, 3.8 per cent waters and lakes and 6.5 per cent are other lands.

We have abundant reserves of oil, natural gas, coal, iron ore, non-ferrous ores (copper, lead and zinc), gold and silver.

In 1937, Romania was the biggest producer in Europe and 7th in the world.

In December 1989, Romania embarked on the path to market reforms. We have systematically set out to encourage a hospitable business environment and establish a framework of positive incentives.

In this respect, the legislation enshrines the basic principles of the equality of treatment for foreign investors, non-interference by the Government and unrestricted access to all sectors of the economy.

Guarantees are provided for up to 100 per cent foreign ownership, full repatriation of profits and capital, full retention and free use of export earnings.

In 1999, foreign investments in Romania totalled US\$7.4 billion (US\$1 =

RM3.80), and the number of companies with foreign capital participation stood at 60,000.

The Romania's foreign trade policy is determined by the official Government policy based on the principles of market economic relations and free competition on both local and foreign markets.

All trade and other economic measures, which directly or indirectly affect Romanian foreign trade, are subordinated to this government policy.

I would like to invite Malaysian investors to tap the vast opportunities in Romania. Our privatization programme, as what Malaysia has been doing, is producing great results.

Any privatization deal in Romanian will take into account that there is no minimum sale price, and the shares will be sold at market price resulted from the supply and demand ratio.

The State Ownership Fund (SOF) established by the Government can delegate the privatization mandate to privatization agents. The agents act on behalf and for the public institutions involved and have, according to the mandate granted, all the rights due to the shares of those companies, the exercise of power and the special benefits granted to the public institutions involved in the privatization process.

Malaysian companies can also look into the possibility of establishing joint ventures with their Romanian counterparts, not only to cross-invest but also to set foot in Eastern and Central Europes, and other parts of the world.

We need to learn from each other, as always being called by Prime Minister Datuk Seri Dr Mahathir Mohamad.

By technological advancement, our two countries are no longer far apart. There are a lot of flights connecting our capital city Bucharest from almost all parts of Europe. Investors and tourists from Malaysia can easily find access to our country, which offers many business opportunities and attractive places.

Ever since Malaysia and Romania established diplomatic relations almost a decade ago, we have seen progress in cultural and political ties. However, our economic cooperation is still far too small as compared with Malaysia's relations with other countries.

Perhaps not many Malaysians know about Romania, as much as we have not discovered Malaysia in a more comprehensive manner. But I am convinced that the future relations of our two nations can be further enhanced via aggressive promotion and publicity.

Our two-way trade stood at only US\$21 million between January and September this year, with Malaysia recording the surplus.

Romania exports steel products, industrial products, chemical products, vehicles, transport equipment, electrical appliances and plastic-related materials, among others to Malaysia valued at about US\$6 million during the said period.

On the other hand, Malaysia's exports to Romania totalled US\$15 million between January and June 1999, consisting of electrical items, cocoa, rubber and rubber products, plastic, vegetable oil, animal oil, optical and photo instruments, synthetic fibre, textile and cotton, timber, paper, organic chemicals and tin.

Looking at it, there is a tendency to improve the trade figure. We should embark on a more serious marketing approach to encourage businessmen from our two countries to exploit every opportunity that lies along the line of our economic partnership.

I am glad to be told that most Malaysians still remember Nadia Commanecchi, our gymnast who rocked the Olympic during the 1980s. I am also flattered by the fact that many soccer enthusiasts here know about Steua Bucharest, one of Romania's leading soccer clubs.

Apart from political, economic and social relations, Romania has many talented gymnasts and other sports professionals. Our country will be happy to extend such a professionalism to our friends in Malaysia.

We have many things to work out together. Romania has something to learn from Malaysia. As Malaysia's economy is one of the strongest in this region, we would like to study the way Malaysians have worked hand-in-hand towards prosperity.

The economic downturn has not only affected Malaysia and Asia as the heat is also felt in Europe. Romania is of no exception. That is why we need to consolidate our efforts to make our two countries more prosperous in the next millennium by lending each other's speciality in respective fields.

My posting to Kuala Lumpur is something which I have looked forward. Being in Malaysia makes a person like me feel good and important - not because of my nationality or my profession - but simply of the fact that Malaysians appreciate friendship.