

**Постоянное Представительство  
Российской Федерации  
при  
Организации  
Объединенных Наций**



**Permanent Mission  
of the Russian Federation  
to the United Nations**

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**STATEMENT**  
**by Representative of the Russian Federation**  
**in the Second Committee of the UN General Assembly V.V.Aristov on Agenda item 52**  
**“Macroeconomic policy questions: (a) International trade and development”**  
(New York, 31 November 2005)

Mr. Chairman,

The Russian delegation is of the opinion that the Report of the UN Secretary General on international trade and development contains a clear assessment of a not quite favorable situation that is developing in the framework of negotiating process on the eve of the Sixth WTO Ministerial Conference in Hong-Kong.

We believe that the difficulties in the current round testify to fact that the international trade system is still far from being perfect, and its existing rules need to be improved on the basis of establishing stable, predictable, and non-discriminatory terms of access of goods and services of all participants in trade to the world markets.

The Russian delegation supports the idea that international trade functions as a dynamic constructive factor that contributes to development and reduces the level of poverty. A logical outcome of the dynamic development of international trade should be an overall increase of global wealth in the context of achieving the Millennium Development Goals. These goals could be contributed to by individual countries concerned and groups of countries, financial and economic institutions, private and non-governmental organizations, as well as representatives of academia and business community. In our view, the UN is called upon to continue to play a coordinating role in this process.

The expansion of the world trade and its putting on a more just and equitable basis will create additional opportunities for achieving the Millennium Development Goals. In this connection, we note with great satisfaction the provision of the Outcome Document of Summit of 2005 on the importance of universal and rule-based integration of all states into the global trade system, and on speeding up and facilitating the accession to the WTO in accordance with the established rules.

Mr. Chairman,

Russia undertakes efforts to achieve at the national level certain benchmark indicators within the Millennium Development Goals. We gradually change our status of recipient of international development assistance and concentrate our efforts on the achievement of the MDG domestically on the basis of our own resources. In the meantime, Russia, as a member of the G-8, undertakes efforts to increase its contribution to international assistance programs and international development initiatives. The main focus of Russia's efforts is the reduction or total elimination of debt of the poorest countries, first of all, in the African region. Russia also provides multifaceted official assistance to many countries of the world, including its CIS partners. Recently, steps have been taken to increase our donor capacity.

The Russian Federation has become an integral part of the world economic system. This is evidenced in particular by such facts as the implementation of Partnership and Cooperation Agreement with the EU, Russia's participation in APEC, and WTO accession negotiations, which have reached the concluding stage. The liberalization of international trade regime based on WTO rules is viewed as a dynamic force for accelerating the economic growth and development. Therefore, Russia stands for a consistent implementation

of a liberal, open, and predictable trade policy. Russia is interested in, and closely follows the preparation of the WTO Ministerial Conference in Hong-Kong.

I would like to draw your attention to the concern expressed in the report of the Secretary-General regarding the terms and conditions of accession of new members to WTO.

As far as Russia is concerned, we are ready to actively engage in multilateral WTO negotiations. We are certain that full-fledged participation of Russia in reaching an agreement on implementation of final Doha round arrangements would meet the interests of all WTO member-states.

We understand all complexities, both of technical and political nature, associated with the elaboration of specific practical arrangements in the wake of the Gleneagles "new wave" of liberalization of the world markets. We hope that the decisions of the G-8 Summit, and statements by the heads of state during Summit of 2005 at the current anniversary session of the UN GA will give the necessary political impetus to this process.

However, further liberalization of international trade must take into account the economic realities and requirements of various countries or groups of countries, so as to extend the advantages of globalization and trade liberalization to all participants of the world trade, and prevent the overall worsening of the situation of domestic producers.

Although the liberalization of trade contributed to the economic growth, there are still opportunities for further opening of many areas that are interest for developing countries and countries with economies in transition in terms of their exports. The effective functioning of non-discriminatory and competitive market would make a tangible contribution to the process of development. If country specificities were taken into account, the liberalization would contribute to their international competitiveness and provide incentives of economic growth.

By the beginning of the 21<sup>st</sup> century Russia has joined the group of the most discriminated against trading countries (second to China, and first among the states that are not members of WTO). From 1992 to November 2005 the number of restrictive measures against our exporters has increased from 13 to 117, annual loses from these measures amounting to about 2 billion USD. Therefore, it is a matter of principle that Russian goods and services have at least a non-discriminatory access to external markets.

Mr. Chairman,

It is our position that if the WTO system were based on the principle of equality, then in a process of accession the new members would not be required to take commitments beyond the framework of a standard set of obligations of the Organization. We can not ignore the question why are the acceding countries compelled to take much greater obligations then the initial WTO members, i.e. – an attempt is made to test-run them for the Doha round rules, which are still under discussion in the framework of negotiations and have not yet become compulsory for all WTO members.

We expect that during the Hong-Kong conference another step will be made towards reaching the goals set out in the framework of WTO. However, we cannot but have concerns about how the Hong-Kong understandings will impact our negotiations and future Russia's membership in WTO.

Russia actually contributes to liberalization of international trade by reducing its import duties and applying special preferential regime to the imports from many developing countries, above all, those of in the group of the least developed countries (LDCs). Under Russian legislation, quotas or anti-dumping, countervailing or special protective measures are not applied against imports of goods from the LDCs. For the last three years the volume of preferential import from the developing countries to Russian has totaled over 6 billion USD per year (or about 12% of all imports to Russia).

It is essential that the decisions to be taken in Hong-Kong are consistent with the letter and spirit of the Doha development agenda and Sao-Paolo consensus. We think that it is necessary to ensure that the interests of WTO member-states and countries acceding to the WTO be taken into account.

Thank you.