DEVELOPMENT COMMITTEE
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on the
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Statement by
Mr. Pascal Lamy
Director-General
World Trade Organization
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Allow me to officially congratulate Dr. Jim Yong Kim on his appointment as President of the World Bank Group. The WTO and the World Bank have collaborated extensively on a wide range of trade and development issues and I expect that this will continue and even deepen under Dr. Kim's leadership.

The recent downward revisions from the IMF on its forecasts for global growth and the WTO's own predictions for trade volume growth in volume in 2012, which showed a downgrade to 2.5 per cent, highlight that the global economic picture remains challenging. Global employment rates remain low and unemployment, especially amongst the youth, remains far too high. Trade can play an important role in helping the global economy to work its way out of this continuing crisis.

Trade creates employment opportunities at all levels in a society especially for women. The growing reach and depth of Global Value Chains creates opportunities for developing countries to insert themselves into production and distribution cycles that span continents. These value chains can serve as important transmission belts for building productive capacity, moving into more value addition, and increasing technological and knowledge transfer.

Better and more effective trade facilitation rules and regulations can help to make countries more investable and also increase the exports and imports of goods and services: both in terms of finished products and intermediate goods. Having effective and transparent trade facilitation rules at the borders makes trade easier and less costly and increases the predictability and governance of trade which also has a particular impact on informal traders- particularly women. The WTO and the World Bank have collaborated extensively on trade facilitation issues, including through the Bank's support for the negotiation of a multilateral Trade Facilitation Agreement at the WTO.

A key to integration of new countries in regional and global trade is developing soft and hard infrastructures for trading. The work on Aid for Trade, spearheaded by the WTO and the OECD in partnership with the World Bank, the Regional Development Bank and the UN agencies, has helped to mobilise substantial resources for trade-related capacity building and technical assistance. In 2010 US 45 Billion in Aid for Trade was committed to developing countries, with an increasing amount going to Least-developed and Low Income Countries in Africa and Asia. The focus of the 3rd Global Review of Aid for Trade in 2011 was very much on showing results and impacts and the work on that is continuing. The 4th WTO Global Review scheduled for July 2013 will focus on connecting to value chains with an emphasis on the private sector.

In the past decade studies have shown the strong integration and income-raising effects of trade for developing countries. Trade and FDI, through production-sharing, are helping to alleviate poverty and create middle-classes in the developing world. Trade as a tool for development, must remain a priority for the World Bank. Linked to this is the importance of continuing the advocacy and delivering of trade finance especially for Small and Medium Sized enterprises in developing countries.

On the WTO Doha Development Agenda, discussions are continuing on ensuring concrete deliverables for 2013. For developing countries, who represent more than two thirds of WTO Members, a stalled Doha
Agenda means remaining with the trade rules of the XX century. A combination of obsolete trade rules and deep economic crisis can lead to protectionist pressures translating into actions. This would be a lose-lose game. The World Bank should continue its advocacy work both on fighting against protectionism and assisting countries to better understand the benefits of completing the Doha Round of negotiations.

I look forward to working with Dr. Kim as our two organisations intensify our collaboration on trade issues.