DEVELOPMENT COMMITTEE
(Joint Ministerial Committee of the Boards of Governors of the Bank and the Fund on the Transfer of Real Resources to Developing Countries)

NINETY-THIRD MEETING
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Statement by
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93rd Meeting of the Development Committee

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Today's meeting takes place against a backdrop of weak growth in world trade and output and a subdued outlook for the global economy. While trade growth picked up in developed countries, import demand in developing and emerging economies has slowed sharply, and in some cases turned negative. The situation is reversed compared to 2012-13, when emerging economies sustained global trade.

In light of these developments, the WTO's forecast for real trade growth in 2016 is in line with that of global GDP.

This could be considered as a worrying development since trade played a crucial role in achieving the MDG goal of reducing extreme poverty by half ahead of schedule. The post-2015 sustainable development goals will be difficult to achieve without a stronger growth in trade.

The WTO needs to create the policy conditions for even more countries to participate in global production and trade. This is what we aimed at the Bali and Nairobi Ministerial meetings: planting the seeds to allow for greater integration of developing countries, in particular the poorest, in global trade. For example, the WTO has been making progress in ratifying and implementing the WTO Trade Facilitation Agreement (TFA) which will help all Members to cut trade costs, in particular least-developed and other developing countries. The WTO has also made important decisions on the implementation of duty-free and quota-free market access for LDCs, on preferential rules of origin for their products, and a decision in the area of cotton, covering both trade and development assistance aspects. LDCs with a comparative advantage in agriculture will undoubtedly benefit from the removal of farm export subsidies decided in Nairobi.

The WTO intends, at a time when developing countries' trade is slowing down, to further facilitate trade and to further reduce trade costs other than policy-based costs.

In this vein, we would like to invite development banks and the international community to participate in the trade finance initiative announced by Director General Azevêdo at the Third UN Financing for Development Conference in Addis Ababa, and released in a publication a few days ago. The initiative is aimed at increasing multilateral development banks' support to exporting and importing SMEs in the poorest countries. The World Bank, in particular through the International Finance Corporation, will help us implement the initiative.

The WTO also wishes to commend the efforts that the World Bank Group in supporting trade related infrastructure through Aid-for-Trade. Finally, we welcome the steps that the World Bank Governors and senior management have taken to support implementation of the Trade Facilitation Agreement through the Trade Facilitation Support Programme. I urge ministers to continue to give a high priority to the better
integration of developing countries into the multilateral trading system and to voice their support for WTO agreements and negotiations.

Together, the World Bank and the WTO can continue to advance their shared goals of raising living standards and ensuring a brighter future for the world's poor. Thank you for your attention.