



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-SECOND MEETING
LIMA, PERU – OCTOBER 10, 2015

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Statement by

Mr. Xiaozhun Yi
Deputy Director-General

World Trade Organization

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92nd Meeting of the Development Committee
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Lima, Peru

Today's meeting takes place against a backdrop of weakening growth in world trade and output and a subdued outlook for the global economy. Although trade has continued to pick up gradually in developed countries, import demand in developing and emerging economies has slowed sharply, and in some cases turned negative.

In light of these developments, the WTO has downgraded its forecast for world trade growth in 2015 to 2.8% and reduced its projection for 2016 to 3.9%, with risks firmly on the downside.

If the forecast comes to pass, 2015 will be the fourth consecutive year with trade growth below 3 per cent and the first since 1985 where both exports and imports of developing countries have growth more slowly than those of developed economies.

This is a worrying development considering that 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.

One of the most constructive things that governments could do to keep development objectives on track would be to deliver strong set of negotiated outcomes from the upcoming WTO Ministerial Conference in Nairobi in December.

Much progress has been made in negotiations to date, and a set of deliverables that would advance developing and least-developed country priorities is within reach, but there are many hurdles left to overcome. Strong support from the ministers assembled here could be a difference maker for a successful outcome.

A related priority, at a time when developing countries' trade is slowing down, is to reduce trade costs other than policy-based costs such as tariffs and NTBs. For this, we need to work on reducing burdensome border procedures, improving access to trade finance, and upgrading transport infrastructures. One step in this direction would be to ratify and implement the WTO Trade Facilitation Agreement (TFA), which was agreed at the ministerial conference in Bali in December 2013. Another would be to participate in the trade finance initiative announced by Director General Azevêdo in Addis Ababa. In both cases the World Bank is ready to help.

The WTO wishes to commend the efforts that the World Bank Group has made, and continues to make, to support 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 TFA through the

Trade Facilitation Support Programme. I urge ministers to continue to give a high priority to multi-lateral trade negotiations 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.