



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-FOURTH MEETING
WASHINGTON, D.C. – OCTOBER 8, 2016

DC/S/2016-0063
October 8, 2016

Statement by
Mr. Roberto Azevedo
Director-General
World Trade Organization

Statement by

**Mr. Roberto Azevedo
Deputy Director-General**

World Trade Organization

94th Meeting of the Development Committee

**October 8, 2016
Washington, D.C.**

In 2016, global trade growth is likely to hit its lowest level since the financial crisis. Trade growth is below GDP growth for the first time in 15 years. Since trade played such a crucial role in achieving the MDG goal of reducing extreme poverty by half ahead of schedule, this is a worrisome development. The post-2015 sustainable development goals will be more difficult to achieve without stronger growth in trade. A further cause for concern is that growing anti-trade rhetoric being expressed in many quarters could suggest a shift toward a more protectionist stance.

We need to remember that the world has done better by opening up to trade and by adopting global rules. In the last decades, faster GDP growth in developing countries has allowed convergence with developed countries. Developing countries have increased their share in world output from 23% to 40% (43% to 57% at PPP), and raised their share in world trade from 1/3 (33%) to 1/2 (48%) since 2000.

Trade has played an important role in tackling poverty and boosting development. WTO commitments have helped to create the predictable environment that is conducive to growth (this is particularly visible in the countries that have acceded to WTO).

While substantial progress has been made, there are still significant challenges that need to be met and that a large number of countries still lag behind their development goals. There is still a lot to gain to deepen integration. Tariffs in key sectors for developing countries remain high, as do non-tariff barriers.

After two successful Ministerial Conferences, WTO members are clearly of one mind in wanting to move the multilateral agenda forward. At last year's Nairobi Ministerial Conference WTO Members agreed a number of outcomes including the abolition of agricultural export subsidies. Now Members are working to build on this progress. They are working to identify how we can advance negotiations on the remaining Doha issues and identify how best to proceed on other issues as well.

We also need to do more to ensure that trade is as inclusive as possible. Well-designed economic, labour market, skills, education and social policies can help governments seize the opportunities that trade creates and support those who need it. A key aspect of making trade more inclusive is enhancing the participation of smaller companies. Such companies are vital to every economy but they face particular challenges as they seek trading opportunities, including difficulty in obtaining trade finance. We would like to work with the World Bank, IFC and other partners to improve trade finance provision.

The WTO wishes to commend the efforts that the World Bank Group has taken in supporting trade related infrastructure through the Aid-for-Trade initiative. 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. We 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.