



ADB, WTO URGE MORE AID-FOR-TRADE EFFORTS TO COUNTER THE ECONOMIC CRISIS

SIEM REAP, CAMBODIA (28 May 2009) – Ministers, trade officials and senior government officials from around Asia today gathered in Siem Reap, Cambodia to discuss the impact of the global crisis on trade, how Aid for Trade can support private sector growth, and how to include trade into national development strategies.

At the conference, Asian Development Bank (ADB) President Haruhiko Kuroda and World Trade Organization (WTO) Director General Pascal Lamy urged ongoing efforts to support trading activities in the face of the prolonged global financial crisis and the risk of protectionism.

"Developing countries, particularly least-developed countries and small states, need Aid for Trade not simply to weather the crisis, but more importantly, to prepare for longer-term development and structural adjustment," Mr. Kuroda said in a keynote speech on the opening day of the two-day meeting.

Mr. Lamy stated that: "Trade is an essential ingredient to exit the crisis. But to keep the wheels of trade turning we need trade finance to flow. And to make trade work for the people we need renewed efforts on Aid for Trade. This is the time for global solidarity."

As part of those efforts, Mr. Kuroda and Mr. Lamy announced that Cambodia and Japan will lead an Asia-Pacific regional technical group on Aid for Trade. The regional technical group is tasked with preparing plans for stepping up Aid for Trade in Asia and the Pacific and will report at the Second Global Review on Aid for Trade to take place in Geneva, Switzerland on 6-7 July 2009.

Aid for Trade was conceived in December 2005 to help developing nations, in particular least-developed countries, around the world to bolster their capacity to trade. Asia has long suffered an uneven trade status. The newly industrialized economies like Hong Kong, China and the Republic of Korea, as well as the People's Republic of China and India, are integrated into world markets but the region's 22 least developed and smaller economies still account for just 0.3% of world exports. This level has barely increased over the last 25 years.

In tandem with national efforts to mainstream trade into national development strategies, Aid for Trade aims to help countries overcome the supply side and economic infrastructure constraints that undermine their ability to engage in regional and global trade.

ADB, based in Manila, is dedicated to reducing poverty in the Asia and Pacific region through inclusive economic growth, environmentally sustainable growth, and regional integration. Established in 1966, it is owned by 67 members – 48 from the region. In 2008, it approved \$10.5 billion of loans, \$811.4 million of grant projects, and technical assistance amounting to \$274.5 million.

Media Inquiries

Karen Lane
Tel +63 2 632 6138
Mobile +63 920 938 6487
E-mail: klane@adb.org

Luis Ople
Tel: + 41 22 739 5374
E-mail: luis.ople@wto.org

The World Trade Organization, based in Geneva, is the international organization whose primary purpose is to open trade for the benefit of all. WTO provides a forum for negotiating agreements aimed at reducing obstacles to international trade and ensuring a level playing field for all, thus contributing to economic growth and development.

* * * * *