

Statement by the International Monetary Fund at the Ninth Ministerial Conference of the World Trade Organization on 3-6 December 2013

The Ninth WTO Ministerial Conference in Bali offers an opportunity to conclude WTO agreements, including on trade facilitation and agriculture, which will deliver tangible economic benefits for trade, growth, and jobs in participating countries and for the broader global economy. The International Monetary Fund urges WTO Members to seize this opportunity, which will also help bolster the multilateral trading system.

The trade landscape has weakened again in recent years. In 2012, real global trade growth declined to 2.7 percent, from 6.1 percent in 2011. The IMF projects 2.9 percent growth for 2013, with a rebound to 4.9 percent in 2014. The poor current performance of world trade reflects—and helps explain—the weak momentum in global activity.

Concluding Doha is crucial to sustain global trade and economic recovery. The IMF considers that a successful conclusion of the Doha Round would contribute to global welfare in two main ways. First, it would have direct benefits through market opening, which according to current estimates could increase global welfare by 0.2 to 1 percent. Second, concluding Doha would boost global trade by adding security to trading relationships and by updating Members' WTO commitments and the multilateral trade rules.

Progressing on the multilateral agenda in Bali would have immediate benefits and would be a stepping stone to conclude the Doha Round. Signing a WTO trade facilitation agreement would add significant momentum to efforts to increase competitiveness and consumer welfare by cutting trade costs, particularly in developing countries. Together with advances in the other areas under negotiation, a success here in Bali would contribute to pave the way to completion of the Doha Round.

The IMF, within the limits of its mandate, will continue working with the WTO and its Members on issues of common interest, including to help ensure that the new commitments that an agreement in Bali would bring are supported.