

Statement by the Regional Technical Group (RTG) Co-Chairs

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Distinguished guests, ladies and gentlemen, good morning. As co-chairs, it is our honor to report to you on the recently convened Regional Technical Group on Aid for Trade for Asia and the Pacific.

As was introduced by ADB President Kuroda yesterday, the formation of the RTG on Aid for Trade for Asia and the Pacific was a key recommendation of the joint ADB-WTO report of the Manila meeting and the First Global Aid for Trade Review Meeting in Geneva in November 2007. It forms part of the 2009 Aid for Trade Road Map for Asia and the Pacific.

The relevance of RTG for Asia and the Pacific cannot be overemphasized. The region is characterized with great diversity— marked with a number of countries that have benefited from successful trade-led growth on the one hand, while a majority still faced with economic underperformance on the other hand. In light of the economic downturn, the accompanying contraction in global trade, and the increasing threat of protectionism, the Aid for Trade initiative has become even more relevant to mitigate the negative effects of this crisis. Developing countries, particularly LDCs and small states, need to invest in infrastructure and implement reforms to weather the crisis. More Aid for Trade can help prepare their economies for long-term development and structural adjustment.

We are pleased to note that some progress has been made, particularly in trade-related support and sharing the lessons learned from developed and industrialized economies. For instance, Japan is now reinforcing its efforts in trade finance and related fields in order to tackle the global financial crisis. ASEAN economic ministers have also recognized that there is a need for ASEAN to be proactive and takes advantages of the

G20 pledge of US\$250 Million to support trade finance over the next 2 years (2010-2012). The challenge then for the RTG is to coordinate these efforts and create an integrated approach to Aid for Trade that is worth emulating in other regions.

We are happy to inform you that an inception meeting of the RTG was convened on 3 March 2009 in Manila. This was attended by small group of members which included trade officials from DMCs and representatives from donor and development agencies. The governments of Japan and Cambodia are happy to take the lead as co-chairs of the RTG, with ADB acting as the Secretariat.

We envision the RTG as an institutionalized forum for discussing issues relating to Aid for Trade initiatives in the region. The RTG will meet to share experiences of good practices in implementing Aid for Trade in Asia and the Pacific, as well as help form new partnerships for future trade initiatives. In this regard, the RTG's hopes to undertake the following tasks:

1. Sharing good practices and take stock of available analytical work on AfT in the region;
2. Build partnerships among actors by reviewing specific national and sub-regional projects and programs;
3. Discuss ways of mainstreaming into national and regional development strategies
4. Evolve an approach to operationalize AfT for the medium term.

In 2009 and 2010, we hope to meet periodically to develop and fine-tune a work program and prepare a strategic report for Asia and the Pacific, which can be presented at future events and related regional forums as appropriate.

The main messages from the first RTG meeting will be included in the presentation by ADB President Kuroda at the Second WTO Global Aid for Trade Review Meeting on 6 and 7 July 2009.

We believe that this meeting will help us achieve the goals for the RTG. Thank you and we wish you success in your deliberations.