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## World Bank head urges trade pact for the poor

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**WASHINGTON** The World Bank and International Monetary Fund concluded their annual meetings with an agreement to write off as much as \$57.5 billion in debt to ease the burden on impoverished countries. They then immediately turned their attention to the next priority for those nations: global trade.

The debt-relief package, an endorsement of the initiative agreed to by the Group of 8 major industrialized countries in July, would wipe out the debts of the poorest nations to the World Bank, IMF and African Development Bank. The proposal is being sent to the executive boards of those institutions for final approval, the World Bank president, Paul Wolfowitz, said.

"This is a moment of real opportunity," Wolfowitz said at a briefing on Sunday alongside the IMF's managing director, Rodrigo de Rato. "The path to complete debt relief has now been cleared." As many as 38 nations may be eligible for 100 percent debt forgiveness, most of them in sub-Saharan Africa.

After the announcement, Wolfowitz said that debt relief was only one step in the process and that developing nations still needed better trade laws to compete and to expand their economies. He stressed the importance of progress at the World Trade Organization meetings in Hong Kong in December.

Wolfowitz said a comprehensive trade agreement was even more important than increased aid and debt forgiveness.

"We have agreement on more aid, we have consensus on debt relief, now let's complete the picture and deliver a true development round on trade," he said.

The 148 member nations of the WTO have been trying since 2001 to reach a new accord that would update rules for global trade, including limiting import tariffs and export subsidies.

Finance ministers for developing nations including Brazil and Nigeria called on the richest nations to drop their barriers to agricultural exports and end aid to farmers, if they are serious about helping the poor in Africa, Asia, and Latin America.

Finance Minister Antonio Palocci of Brazil also said trade and access to markets was "more important than external aid" and called on the wealthy nations to agree to cut tariffs at the WTO meetings. The comments came in statements presented to the World Bank's policy committee in Washington on Sunday.

"Failure to deliver a deal in Hong Kong is just not acceptable," Finance Minister Trevor Manuel of South Africa said. "There must be an intensification of the efforts."

At the conclusion of their meeting in Washington on Friday, the Group of 7 nations - the United States, Britain, France, Italy, Germany, Japan and Canada - plus Russia sent a letter to Wolfowitz urging the World Bank to endorse their debt relief plan and offering additional financial commitments.

The meetings were the first for Wolfowitz as president of the World Bank, which has as its primary task raising living standards in poor nations.



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