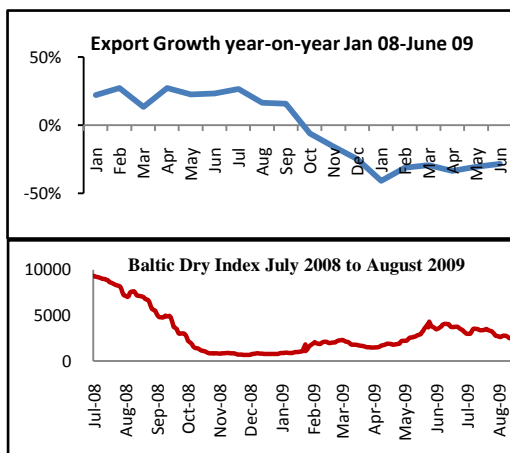


## Highlights of the Quarter

**Trade data indicates modest recovery:** Latest monthly data for 49 countries indicate that the collapse of trade has eased, with most reporting countries showing signs of trade recovery in June. **Exports and imports** increased in aggregate by 6 percent and 10 percent respectively in June compared to May 2009. Improvements in exports and imports are noticeable across income groups and regions, extending beyond the Asia-Pacific region. Trade growth remains depressed on a yearly basis, being 30 percent lower than its June 2008 level. The **Baltic Dry Index (BDI)**, a measure of the cost of shipping bulk cargo by sea, picked up in February 2009 after a 7-month drop. However, since June 2009 it has been trending down again. **International Air Transport Association (IATA) data on air freight traffic** shows gradual improvement starting in July 2009 compared to previous months, but demand remains weak and freight traffic for all regions is 11 percent below 2008 levels.

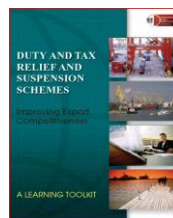


**Trade remedies continue to be on the rise:** New data from the **World Bank Global Antidumping Database** indicates a 12 percent increase in investigations initiated in the second quarter of 2009 as compared to the same period in 2008. Newly imposed trade remedies increased by 59 percent over this period. The use of safeguard actions has increased in particular, with WTO members initiating 9 safeguards during the second quarter of 2009. China continues to be the prime target for new trade remedies. About half of all investigations launched were undertaken by India (12) and the U.S. (6). In total, developing countries imposed most of the new measures.

**Outcomes from the WTO 2<sup>nd</sup> Global Review of Aid for Trade, July 6-9, Geneva:** focused on the operationalization of the Aid for Trade agenda, particularly on the progress in securing additional financing and on how aid flows can be maintained against the backdrop of a worsening global economic outlook. As a follow-up to this meeting, the WTO and the World Bank continue to work towards: (i) focusing international efforts to enhance the **monitoring and evaluation** of the impact of aid for trade in recipient countries; (ii) increasing the involvement of the **private sector** in aid for trade delivery; and (iii) strengthening the **regional dimension** of aid for trade activities through regional integration.

## Announcements

### New Toolkit! Duty and Tax Relief and Suspension Schemes: Improving Export Competitiveness by the World Bank.



This toolkit is designed as a guide for policy-makers on various duty and tax relief and suspension schemes aimed at improving export competitiveness. This toolkit provides a comprehensive overview and discusses recommended practices on duty and tax relief, emphasizing the best practices and lessons learned from around the world on such fiscal instruments. Available on-line for download:

[www.worldbank.org/trade](http://www.worldbank.org/trade).

**Trade Facilitation Facility (TFF) Approves 1st Project:** The World Bank's International Trade Department has just approved its first project using the TFF for a trade facilitation audit and corridor diagnostic in the Democratic Republic of Congo. The TFF is now accepting requests for assistance from governments of low-income countries and related regional integration organizations. For more information on the TFF and how to submit proposals, please visit:

[www.worldbank.org/trade](http://www.worldbank.org/trade).

**World Trade Indicators (WTI) Launch, October 2009, Washington, DC and Geneva:** An updated version of the World Trade Indicators (WTI) will be launched in October 2009. The WTI is an interactive tool, established in June 2008, designed to benchmark a country's trade policy and institutions and help policy makers, advisors, and analysts identify border and behind-the border constraints to trade integration. Website: [www.worldbank.org/wti](http://www.worldbank.org/wti)

**Conference on Regionalism: Regional Integration in Asia and Europe, September 14-15, 2009, University of Sussex:** This conference is co-organized by the World Bank and the Center for the Analysis of Regional Integration at Sussex (CARIS), in collaboration with SWISS National Centre of Competence in Research (NCCR). The main themes of the conference will be on Asian and Europe, and the role of integration in trade and institutions on development. Presentations will cover empirical evidence on the causes and effects of Asian regional integration including comparison with Europe and issues of behind the border regulations in Regional Trade Agreements

## Upcoming Learning Events

### For World Bank Staff

- **Duty and Tax Relief and Suspension Schemes for Improving Export Competitiveness**, September 8, 2009, 9:30 AM- 1:30 PM, Washington, D.C., E-learning.
- **Customs and Trade Facilitation: Holistic Solution for Crown Agents**, September 9, 2009, 12:30-2:00 PM, Washington, D.C.
- **Tools and Indicators for International Trade Data Analysis**, TBD in 2009, Washington, D.C.

### For External Participants

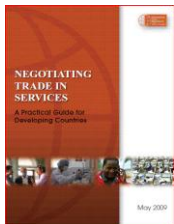
- **Conference on Regionalism: Regional Integration in Asia and Europe**, September 14 -15, 2009, University of Sussex
- **Food, Agriculture Trade and Export Development**, October 26- 30, 2009, Dakar, Senegal

(For more information on learning events, go to [www.worldbank.org/wbi/trade](http://www.worldbank.org/wbi/trade))

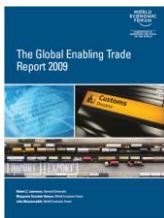
Washington Office  
1818 H Street NW  
Washington DC  
20433 USA  
[tradenews@worldbank.org](mailto:tradenews@worldbank.org)

Geneva Office  
3 chemin Louis-Dunant  
Post Office Box 66  
1211 Geneva 20  
Switzerland

## Publications



**Negotiating Trade in Services: A Practical Guide for Developing Countries by the World Bank:** This report provides a practical checklist to help service negotiators to gain a better understanding of the key aspects of service negotiations, including mapping a strategy in national development plans, preparing for services negotiations, conducting services negotiation, implementing negotiated outcomes and supplying newly-opened markets with competitive and international standard-compliant services. Available for download online.



**Implementing Trade Facilitation Chapter in the World Economic Forum's Global Enabling Trade Report (2009 Edition),** by Jean François Arvis, Monica Alina Mustra, Gerard McLinden and Lauri Ojala.

The Logistics Performance Index (LPI) 2007 was used to compute the Enabling Trade Index (ETI) in this Report. The ETI measures countries' institutions, policies, and services facilitating the free flow of goods over borders and to final destinations. Available for download online.

**Trade-related Policy Responses to the Crisis: A Stock Taking,** World Bank PREM Note, by Simon Evenett, Bernard Hoekman, Olivier Cattaneo, 2009.

**Managing Trade Policy during the Economic Crisis,** World Bank PREM Note, by Sebastian Saez, 2009.

## Working Papers

**Changes in Cross-Border Trade Costs in the Pan-Arab Free Trade Area, 2001-2008 (WPS 5031)** by Bernard Hoekman and Jamel Zarrouk.

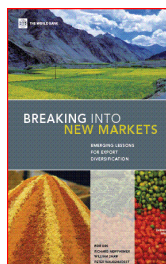
**The Trade Response to Global Downturns: Historical Evidence (WPS 5015)** by Caroline Freund.

**Trade finance in Crisis: Market Adjustment or Market Failure? (WPS 5003)** by Jean-Pierre Chauffour and Thomas Farole.

**Aid for Trade: Matching Potential Demand and Supply (WPS 4991)** by Elisa Gamberoni and Richard Newfarmer.

**Adjusting to Trade Policy Changes in Export Markets: Evidence from U.S. Antidumping Duties on Vietnamese Catfish (WPS 4990)** by Irene Brambilla, Guido Porto and Alessandro Tarozzi.

## For the Record



**Seminar on "Breaking into New Markets: Emerging Lessons for Export Diversification", WTO, Geneva, May 20, 2009:** The World Bank and the WTO co-organized this seminar to provide insights into the relationship between export diversification and growth, the main constraints that prevent countries from diversifying, and the policy options to achieve developmental outcomes. The book "Breaking into New Markets: Emerging Lessons for Export Diversification" can be downloaded online.

**Global Forum on Trade: Trade and Climate Change, OECD, Paris, June 9-10, 2009:** This conference was co-sponsored by the World Bank and the Governments of Sweden and Switzerland, and provided policy makers from OECD and emerging economies a forum to discuss how to make trade and climate change policies mutually supportive.

**WTO-World Bank Seminar Trade Trends and Policy Responses, Geneva, June 11, 2009:** The seminar focused on the current crisis and trade policy responses available to developing countries to ensure a fast recovery from the global distress.

**Presentation of the report Global Development Finance, Geneva, June 23, 2009:** The World Bank and UNCTAD co-hosted this event to present the **World Bank's Global Development Finance**. This publication revisits the origins of the global economic crisis and explores approaches needed to chart a global recovery.

**World Bank Seminar on Trade in Services, Geneva, June 25, 2009:** The seminar explored the trends of developing country's participation in services trade, with a focus of how the financial crisis has affected services trade and what has been accomplished so far on services negotiations in the Doha Round.

For more information and download of papers, please visit our website at

[www.worldbank.org/trade](http://www.worldbank.org/trade)