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Concluding Remarks by the Chairman, Hon. **LIM HNG KIANG**,
Governor of the Fund and the Bank for **SINGAPORE**,
at the Joint Annual Discussion

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My fellow Governors:

1. We have almost come to the end of the 2004 Annual Meetings. We made very good progress this year. We addressed critical global economic issues and established an important work agenda in coming months. But before we conclude, allow me to recapitulate some of the key themes that emerged over the weekend.

2. First, we agreed that the global economy is set for a broad-based expansion this year. Accommodative monetary and fiscal policies have helped us to achieve this recovery. It is now time for many countries to manage the transition toward more neutral interest rate levels, which will help to ensure that inflationary pressures remain moderate. In addition, fiscal deficits—where they exist—should be consolidated during the global upswing, and it is important for countries to achieve this in the context of clear medium-term fiscal

frameworks. The upcoming period of strong growth will also provide an opportunity to enact structural reforms that will make our economies more efficient, flexible, and productive. We should ensure broad ownership of these reforms, reminding ourselves that stronger growth will benefit everyone.

3. Second, we discussed the important effects of oil price volatility, and the risks that this can pose to the global outlook in the near term and beyond. Governors agreed that producers and consumers should endeavor to cooperate to promote stability in the oil market, including through dialogue to increase transparency in that market. Suppliers should make efforts to meet rising demand, while many oil-importing countries may wish to find policies aimed at promoting more sustainable use of energy.
4. Third, we discussed the fight against global poverty and the efforts to make progress toward the Millennium Development Goals. We agreed that there are some important ways to make aid more effective. While developing countries must improve their policy environments, the more advanced countries should provide the necessary support for

the developing countries, including technical advice, concessional financing assistance, and increased market access. Governors welcomed the progress in discussions on granting comprehensive debt relief to some low-income countries that commit themselves to maintaining strong policies. Governors also noted the importance of recent decisions to extend the HIPC Initiative for two more years.

5. Fourth, on trade, we welcomed the important progress that has been made under the Doha Development round. The greater flexibility and spirit of cooperation of all parties in these negotiations led to the agreement in July on the World Trade Organization's framework for achieving timely implementation of liberalization measures. We look forward to a successful conclusion of the Doha Round. Multilateral trade liberalization has been a key driver of growth in the last sixty years, and it will continue to be a cornerstone for promoting global prosperity.
6. Finally, Governors emphasized the need for the IMF and the World Bank to be adaptable and forward-looking to ensure that their support

for member countries remains in step with the fast-changing global economic and financial environment.

7. My fellow Governors, I would like to conclude the 2004 Annual Meetings by thanking all of you for your valuable support. I commend Mr. Wolfensohn for his continued admirable stewardship of the World Bank, and I would like to welcome Mr. de Rato to his leadership position at the IMF, and thank him for the efforts he has already made to promote a listening culture at the Fund. I would also like to praise the commitment of the staffs of the two institutions for their expertise and hard work. We also extend deep appreciation to Mr. Anjaria and Mr. Ofosu-Amaah; to Mr. Bernes, in his capacity as Executive Secretary to the Development Committee; and to the staff of the Joint Secretariat, particularly Ms. Patricia Davies, for their excellent arrangements for these meetings. I am also very grateful to the staff assigned to me in the Office of the Chairman. Thank you, as well, to the U.S. authorities, who have hosted this conference, and shared their warm hospitality and tireless efforts. We are also grateful to the security officials of the IMF and the World Bank, and the various law enforcement agencies that have ensured our safety at this important

event. Finally, I would like to share that we in Singapore are already working diligently to plan for the Annual Meetings in our country in 2006. We hope to be a good host for the 2006 Annual Meetings.

8. Fellow Governors, it has been a great honor for me to serve as Chairman of the Annual Meetings of the Board of Governors of the IMF and World Bank Group. I would like to congratulate the Finance Minister of the Democratic Republic of Congo, who succeeds me as Chairman of the Annual Meetings, and I thank him for the kind words that he has just extended to me. This concludes the 2004 Annual Meetings. I wish everyone safe travels home, and we look forward to meeting again next year in Washington, D.C.