



24 November 2015

(15-6218)

Page: 1/2

Trade Negotiations Committee

Original: English

**THE IMPLEMENTATION OF PREFERENTIAL TREATMENT IN FAVOR OF LDC SERVICES
SUPPLIERS AND INCREASING LDC PARTICIPATION SERVICES TRADE**

DRAFT MINISTERIAL DECISION OF [] DECEMBER 2015

The following communication, dated 20 November 2015, is being circulated at the request of the delegation of Bangladesh on behalf of the LDC Group.

The Ministerial Conference,

Having regard to paragraph 1 of Article IX of the Marrakesh Agreement Establishing the World Trade Organization;

Affirming the General Agreement on Trade in Services (GATS) Article IV.3, Modalities for the Special Treatment for Least-Developed Country Members in the Negotiations on Trade in Services, Hong Kong Ministerial Declaration paragraph 26 and Annex C paragraph 9, and the Decision on Preferential Treatment to Services and Service Suppliers of Least-Developed Countries (WT/L/847) ("LDC Services Waiver") agreed at our Eighth Session;

Acknowledging the important work undertaken by least-developed countries (LDCs) to identify sectors and modes of supply of particular export interest to them in developing the LDC Collective Request (S/C/W/356, Corr. 1 and Corr.2) ("LDC Services Waiver Collective Request");

Recognizing the efforts made by Members in notifying services trade preferences for LDC services and service suppliers, in accordance with paragraphs 1 and 2 of the LDC Services Waiver decision;

Mindful that the duration of the LDC Services Waiver decision has depleted by three years before notifications specifying preferential treatment and invoking the waiver could be submitted;

Welcoming the approval of notifications that included preferential treatment beyond GATS Article XVI by the Council for Trade in Services in accordance with paragraph 2 of the LDC Services Waiver;

Further recognizing that additional guidance may be needed to clarify the definition of preferential treatment under paragraph 1 of the LDC Services Waiver decision;

Noting the need to strengthen the domestic service supply capacity in LDCs with a view to helping them make best use of opportunities, including through preferences afforded to them;

Building on the Decision on Operationalization of the Waiver Concerning Preferential Treatment to Services and Service Suppliers of Least-Developed Countries (WT/L/918);

Decides as follows:

1.1. The duration found in paragraph 7 of that decision shall be deemed to be 15 years from the date of the notification by that Member.

1.2. Developed and developing country Members, in a position to do so, that have not notified specific preferences to LDC services and service suppliers under the LDC Services Waiver are urged to redouble efforts to promptly notify preferences with commercial value and those that promote economic benefits to LDCs.

1.3. Preferential treatment shall include the removal of restrictions, and/or the provision of, special access or procedures, in favor of LDC suppliers over non-LDC suppliers, unless the preference is accorded to LDCs drawn from other pre-existing or future preferential arrangements. In this regard, where appropriate, Members having notified are also encouraged to make use of the supplemental notification procedure allowed for under paragraph 2 of the LDC Services Waiver decision in order to further specify the preferences they intend to accord to LDCs.

1.4. Further to paragraph 1 of the LDC Services Waiver decision, where Members invoke the LDC Services Waiver Decision to provide LDC service suppliers preferential treatment based on existing commitments, or from their applied regimes, that contain restrictions, Members are encouraged to remove such restrictions for LDCs in order to demonstrate clear preferential treatment for LDCs compared to treatment for suppliers from all other Members for whom the restriction is maintained.

1.5. Members in a position to provide preferences shall include reduction of administrative procedures and reduction of fees for visas, work permits, resident permits and licenses in favor of LDC contractual service suppliers and independent professionals in accordance with the section B of the LDC collective request.

1.6. Members shall facilitate the recognition of qualification of LDC professionals and accreditation of LDC institutions in accordance with the section C of the LDC collective request, including signing of mutual recognition agreements as well as technical assistance and capacity building.

1.7. With a view to further increasing LDC participation in trade in services and to complement notification of preferential treatment under the LDC Services Waiver, specific technical assistance and capacity building measures shall be undertaken by the Members to orient LDC service suppliers on the preference benefits available so that such suppliers can utilize the preferences granted. Specific measures may also include, among others, access to services technology for LDC services suppliers that will enhance their capacity in the supply of services, in accordance with the objectives found in GATS Article IV.1 (a) and 2(c).

1.8. In negotiations pursuant to GATS Article VI.4 or related negotiations, Members shall give priority attention to addressing regulatory barriers that impact LDC services trade and LDC services suppliers.

1.9. Operationalization of the LDC Service Waiver shall remain a standing agenda item of the Council for Trade in Services. Where a Member notifies measures beyond those described in GATS Article XVI, the Council for Trade in Services shall expeditiously convene a meeting to approve the measures in accordance with the LDC Services Waiver decision. The WTO Secretariat shall prepare a report every two years on the preferences extended by notifying Members to LDCs and present its report to the Council for Trade in Services for Members' consideration. The Council for Trade in Services shall make any appropriate recommendations on steps that might be taken towards enhancing the operationalization of LDCs service waiver.