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STATEMENT BY HON. AMELIA ANNE KYAMBADDE, MINISTER OF TRADE INDUSTRY AND COOPERATIVES of UGANDA, ON BEHALF OF THE LDCS GROUP DURING THE HIGH LEVEL MEETING ON THE SERVICES WAIVER, 05 FEBRUARY 2015

Mr. Chairman, Hon. Tofail Ahmed, Minister of Commerce of Bangladesh, Mr. Deputy Director General Yi, Excellencies, distinguished delegations,

Thank you for convening this High Level Meeting in the context of the operationalisation of the waiver for preferential treatment of services and services suppliers from Least Developed Countries (LDCs).

In the same vein, I thank you all for working with the LDCs group, during the preparations for this meeting since the tabling of our Collective Request in July 2014.

Mr. Chairman,

I am honored to be here on behalf of the LDC Group to participate in implementing one of the milestones set out at the Bali Ministerial Conference in 2013. We would have also liked to see the Director General joining Deputy Director General Yi. Given the importance of this High Level Meeting to this group; we regret the absence of the DG. Bali was a significant Ministerial for the WTO in that many Members lauded the results on Trade Facilitation as the first Agreement from the Doha Development Round in WTO history. However, of the decisions taken for LDCs in Bali; the decision to operationalize the 2011 MC8 LDC Services Waiver Decision came with promises of concrete results; after the LDC Group could examine its interests and table a collective request.

In Bali, we recognized that the promise to grant preferential treatment to LDCs services and services suppliers in the form of a waiver, was suffering from attrition. That waiver decision has a shelf life of only 15 years. Three years have slipped away with no notifications of commitments from any Member in favor of services preferences to LDCs.

While a less than perfect solution to remedy the problem, a collective request followed by this high-level meeting was agreed upon. To define what is commercially meaningful to LDC suppliers, Members asked LDCs to come forward with research based requests. Although, it was not in the ministerial decisions and would continue delays, we did, and hence the collective request, which reflects our definition of commercially meaningful preferences.

After submitting the collective request mandated by the MC9 Waiver Decision to this august Council, the LDC Group quickly engaged in bilaterals with over 30 Members in order to better explain the request, our interests and expectations. Some Members claimed that the LDCs have too high expectations from this HIGH level meeting. What else can our expectations be after already building into our collective request lower ambition? We have crafted requests that reduced the ambition we had at the start of the services negotiations in 2000, the start of the Doha Round in 2001, and our efforts to see the GATS provisions in favor of LDCs implemented.

The WTO is celebrating its 20th anniversary this year. We are optimistic that LDCs can also celebrate by coming out of this High Level meeting with concrete commitments in the form of market access and beyond market access preferences responding to our collective request, and expeditiously notified to the Council for Trade in Services.

The WTO Secretariat 2013 Report on Market Access for Products and Services of Export Interest to Least-Developed Countries stated that LDC's share of world services exports were a meagre 0.6% in 2012. The updated report of 2014, shows that in 2013, LDC supply of services accounted for 0.7% of world exports. This data reveals, that although the export growth is marginal; there is potential for higher growth for LDCs than other developing countries and the rest of the world.

In terms of sectors, we focused on those areas prioritized by our group as a collective. We have directed our attention to key sectors and modes of supply where our research revealed LDC suppliers were having difficulties; such as in various professional services reflected in

the Annex to the request and in the broad priority sectors categorized in the request such as travel and tourism, ICT and other business services, banking/non-bank banking, transportation and logistics related services, education and training services, and creative industry services. We also highlighted a number of services we mined from conditional DDA offers on the table, where preferences could be provided for LDCs from the start.

We remind those Members who hold the view that they have already bound everything in their existing GATS schedules and cannot provide a preference, that the waiver was needed in the first place so that Members can seek a derogation from the GATS Article II MFN treatment requirements in order to provide a preference. The waiver is to allow LDCs a preference.

As far as the sectors and modes of supply are concerned; our request has provided specificity, priorities, and flexibility. We reduced our ambition on the supply of services through the movement of natural persons (Mode 4). In the collective request, aside from what we have asked about market access and quotas, we actually focused our attention on preferences in administrative areas such as reducing procedures, reducing fees and paperwork for visas, work permits, residents permits and the like where LDC services suppliers have an offer or obtained a contract in your country. Onerous application fees for visas, licenses, and residence and work permits, for many LDCs are tantamount to one month's salary for their families, also a severe loss if the visa is not granted and the fees are not returned. We believe that Members can provide preferences to LDC suppliers in the form of reduced application procedures and reduced fees, whether or not the granting Member is providing market access preferences or bindings.

In Mode 3, supply of services through commercial presence, LDC small and medium sized enterprises have suffered similar barriers we found in Mode 4, in terms of burdensome paper work; restrictions; and requirements that render the ability to form a presence impossible.

Some Members have informed us that their markets are already open and that they are considering assistance initiatives to help LDC suppliers avail themselves of such openness. However, we remind Members that in WTO we speak of market access bindings and certainty. Technical assistance and capacity building in response to the additional element in paragraph 4 of the MC9 Decision and our collective request, paragraph 3.2, remain supplemental. Technical assistance should not replace the mandate in the MC9 Decision to provide GATS Article XVI and beyond Article XVI preferences. To that end therefore, Technical assistance should be additional to, rather than instead of. We would not need a waiver just to discuss technical assistance and capacity building.

Regarding preferences on par with any of your RTA commitments, LDCs welcome your intentions that respond to our request and are followed up by notification. The LDC Group will not dictate to Members how to respond to the request. What is important is that preferences are meaningful and are notified to this Council.

In closing Chair, Members had always argued that it did not matter what the nature and form of the Bali outcome was. That in fact what mattered was that it was an outcome borne out of good will and consensus of the entire membership. We want to believe you. Which is why this High Level Meeting will be a decisive test on the credibility of this Organisation. A successful outcome of this meeting will greatly impact the lives and livelihoods of millions of our poor people.

I thank you Mr. Chairman.
