



Council for Trade in Services

REPORT OF THE MEETING HELD ON 30 OCTOBER 2019

NOTE BY THE SECRETARIAT¹

The Council for Trade in Services held a meeting dedicated to the review of the operation of preferences notified under the LDC services Waiver on 30 October 2019. The meeting was chaired by Ambassador Muylle (Belgium). The agenda was contained in document WTO/AIR/CTS/19.

The Chairman reminded Members that the Nairobi Ministerial Decision mandated the Council, *inter alia*, "to initiate a process to review the operation of notified preferences, on the basis of information provided by Members". In October 2018, the LDC Group had circulated a submission, in document JOB/SERV/284, proposing that, as part of that mandated process to review notified preferences, the Council hold a dedicated session.

At its December 2018 meeting, the Council had agreed to the dedicated session proposed by the LDC Group and during the first half of 2019 delegations had discussed the organization of the event. At the Council meeting held in June, Members had agreed to structure the dedicated session in two parts. Part I would be organized as a workshop, to allow Members and relevant stakeholders to exchange information related to the participation of LDCs in trade in services, while Part II would be organized as a formal meeting of the Council.

The workshop constituting Part I of the dedicated session, with the theme "Facilitating the increasing participation of Least developed countries in Trade in Services", had been successfully held the day before. The workshop had been opened by the WTO Director-General and by Ambassador Johnson of Togo, on behalf of Ambassador Aparr of Uganda. The introductory session had provided an overview of the landscape of LDC services exports and had discussed the factors behind the current performance. Informative and stimulating contributions had been provided by representatives of the WTO Secretariat, academia and the World Bank.

Session 2 had looked at efforts to enhance LDC services export performance, from different perspectives. Representatives of UNCTAD and ITC had shared information about the initiatives of their respective Organizations to help improve the participation of LDCs in global services exports. An LDC government official, from Nepal, had shared information about his government's efforts and experience in promoting services exports. Finally, representatives from Members' development cooperation agencies, from Germany, Australia, the United States and Turkey, had reported on their strategies, highlighted certain of their programmes and shared the lessons they had learnt in that context. Members has also learnt about some other delegations' development assistance efforts of relevance to LDC services trade.

The third session of the workshop had addressed the success factors and main difficulties faced by LDC service exporters. Inputs were provided by a representative of CBI, the agency working for the Dutch Ministry of Foreign Affairs to connect SMEs in developing countries and LDCs to the European market, as well as by private sector representatives from Uganda, Burkina Faso, Mali and Vanuatu who operated across a range of services sectors. The speakers had shared their experiences and described both the factors that had helped them become successful exporters and the difficulties they still faced. They had also highlighted the issues they felt should be addressed to improve LDC participation in world services trade.

¹ This document has been prepared under the Secretariat's own responsibility and is without prejudice to the positions of Members or to their rights and obligations under the WTO.

A final session had seen the WTO Secretariat provide an overview of the current preferences notified under the Waiver and several interventions from Members about their own experience with the operation of the Waiver preferences until then.

Presentations and contributions had been extremely rich and diverse and had offered interesting and valuable insights. The Chairman expressed the hope that the participants had found the workshop as interesting as he had, and that the event had offered plenty of food for thought and reflection about the possible contribution of the WTO in increasing the participation of LDCs in services trade.

Finally, the Chairman thanked all the speakers for their contributions, the LDC Group and other Members for their efforts and cooperation in organising the workshop and the Secretariat for managing the process and having provided funding for the travel of speakers from LDCs.

That day's formal meeting constituted Part II of the dedicated session. The Chairman recalled that, to help structure the discussion and allow for a meaningful exchange, he had proposed the agenda items the meeting would address, as well as annotations to provide context and guidance to Members in preparing their participation and structuring their interventions. He had laid out those elements in a Chairman Note, circulated as document JOB/SERV/289, and they had proved agreeable to Members.

With regard to the annotations to the agenda, the Chairman noted that agenda item A was meant to allow delegations, further to a presentation by the Secretariat, to assess existing data on LDC services trade, including the question of how to address gaps in collection and reporting, and how different data sources might be used to identify areas of opportunity for LDC services exporters.

Under agenda item B, instead, Members might provide their assessment of the practical use of preferences by LDC service suppliers, and exchange information on success stories and challenges, including in relation to LDC national development goals. Members might share their experiences of technical assistance and capacity-building measures to orient and enable LDC service suppliers to take advantage of the preference benefits available, as well as measures aimed at promoting increased LDC participation in international services trade. Also, Members might exchange views on how to further facilitate benefits provided under the Waiver as well as other measures aimed at increasing the participation of LDCs in world services trade.

Under both items A and B, Members might draw on information presented at the workshop under Part I of the dedicated session.

1 ITEM A: DATA ON LDCS TRADE IN SERVICES, INCLUDING GAPS IN DATA COLLECTION AND REPORTING

1.1. The Chairman noted that a representative of the Secretariat had kindly agreed to present the latest trends in LDC services trade, including any gaps in data collection and reporting.

1.2. A representative of the Secretariat recalled that, as had been presented at the workshop the day before, LDCs accounted for only 0.3 % of world services exports in 2017, the latest available year according to the Secretariat's new comprehensive estimates which, for the first time, covered trade in all the four modes of supply. In the 12 years from 2005, the LDC group has gained only 0.1 percentage points in share of total services exports, compared with almost 10 percentage points for other developing economies.

1.3. LDC exports of services were concentrated in a handful of countries. The first 5 exporters accounted for almost half of LDCs' total services exports. LDC services exports were also concentrated in terms of sectors, with tourism being the largest service export of LDCs, accounting for 34.4% of the total, followed by transport, at 21,5%, and distribution services, at 20,6%. Those three sectors alone accounted for more than 75% of LDCs' total services exports.

1.4. Tourism was the most inclusive export sector for LDCs, with the share of tourism exports in total services exports equal or exceeding 50% in many individual LDCs. LDCs' participation in tourism exports had increased from some 0.6% in 2005 to 1.3% in 2017, so doubling. When it came to data availability for tourism, one needed to look at the "travel" category in the Balance of Payments (BoP), which, however, captured trade only through modes 1, 2 and 4. The number of LDCs reporting

their 2017 exports of travel/tourism was only 37, with 10 countries still missing. In spite of the gaps, the Secretariat had some data for those ten missing countries, but the latest available year was not available. Delays in submitting information needed to be flagged. Although there were one- or two-year time lags for at least a few countries, in general, there had been an increase in data reporting. However, at a more disaggregated level, the number of reporting LDCs declined.

1.5. Although there were no bilateral statistics for tourism trade, UNWTO statistics were quite detailed in reporting the origin of tourist arrivals to individual LDCs. On that basis, the Secretariat had been able to reconstruct the relevant flows and could show that travel exports of Asian LDCs had grown impressively over recent years, thanks to tourist arrivals from other neighbouring Asian economies, which accounted for 85% of all tourists visiting Asian LDCs, while tourist arrivals from other regions were significantly lower in numbers. Hence, tourism exports of Asian LDCs were predominantly intraregional and south-south. That was less the case for African LDCs, where in addition to intraregional tourism arrivals there were also tourists of European origin, as well as from other regions. Looking at the data in more detail, one could see that China had been the main driver of the big increase in tourism exports of Asian LDCs. Arrivals from China had increased on average by more than 60% per year in the period 2012-2015, even if other countries in Asia had also contributed to that increase.

1.6. Moving to the transport sector, 36 LDCs had reported statistics on exports of transport in 2017. Many provided the breakdown by modes of transport and kind (passenger, freight or other types of supporting and auxiliary transport services). The bulk of LDC transport exports were accounted for by air transport, with Ethiopia the largest air transport exporter. Big gaps existed for transport other than air and maritime services. While some subsectors, such as space transport, might not be of relevance, road transport might be of interest for many LDCs but no information was available.

1.7. Turning to telecommunications, computer and information services, 27 out of the 36 LDCs that reported on aggregate ICT also reported on their breakdown. On the basis of the information available, it was possible to make reliable estimates about computer services trade for the LDC group, which showed that the leading LDC exporter of computer services in 2017 had been Bangladesh, followed by Madagascar, which had seen its computer services exports increase quite rapidly over recent years, and then by Uganda, Myanmar, and Senegal. Bangladesh had recently started publishing very detailed BoP statistics and, although that information had not yet been submitted to international bodies, a detailed breakdown was available of the type of computer services that had been supplied by Bangladesh from 1 July 2017 until 30 June 2018. The bulk were computer data processing and hosting services, followed by customized computer software and consultancy services, and a very small part was accounted for by installation, maintenance and repair of computer equipment. The Secretariat was appreciative of the publication by Bangladesh of data on exports and imports by region and destination, which showed that more than two-thirds of Bangladesh's computer services reached the United States as well as other Members, such as India.

1.8. With regard to insurance and financial services, there was a high number of reporting LDCs, which allowed reasonably good estimates, and there was also some breakdown data available. Moving to business services in the BOP, 35 LDCs were reporting data, but with virtually inexistent detailed breakdown. For instance, for professional management consulting services, there were 27 out of 35 LDCs reporting, but no information was available on the nature of those services. Continuing with technical, trade-related and other business services in the BoP, 34 LDCs reported data. One of the challenges mentioned to the Secretariat by services statisticians in LDCs concerned the fact that current data collection was not designed to capture details; in that regard, the representative noted that that data collection in many countries was based on international transactions reporting system (ITRS), an old way of collecting data which should be complemented by surveys. If surveys were available, there was a significant time lag between them, but surveys could also be used to produce estimates.

1.9. In terms of LDC supplies of other business and professional services, half of the exports originated from Asian LDCs, with Myanmar as the leading exporter, followed by Bangladesh and Nepal, while many LDCs in Africa were lagging. Although no information existed regarding the destination of Myanmar's exports of other business and professional services, it was available for Bangladesh. Bangladesh's exports of other business and professional services were very diversified, reaching both the region, such as with India and China, but also the United States and the European Union.

1.10. Overall, little information was available on LDCs' bilateral services exports, because tracing the direction of LDCs' exports was very difficult. In that regard, the Secretariat would welcome receiving any information from LDCs on bilateral trade. The issue did not solely concern LDCs, but preference-granting Members and all Members generally had difficulties in producing statistics by origin and destination in the field of trade in services. That was a widespread problem that the Secretariat was trying to address in its work, but more needed to be done.

1.11. The only economy that regularly published information regarding services imports from LDCs, which could be used as a mirror of exports for LDCs, was the European Union. LDCs accounted for 0.6% of EU services imports from the world in 2017, with the bulk of imports originating from African LDCs. These imports, amounting to almost US\$ 12 billion, from an LDC export viewpoint accounted for more than 30% of LDCs' services exports, on a mirror basis. Unfortunately, the sectoral breakdown was not available, but a breakdown was available by country. It showed that that Liberia was the first partner for the EU; although no further information was available, one possible explanation might be the Liberian shipping registry, as Liberia was the second-largest shipping registry in the world and the payments associated with the granting of the Liberian flag could be recorded as services exports from Liberia.

1.12. That was all that was available from the preference-granting Members in terms of bilateral imports from LDCs. For other Members, only scattered information was available at the individual LDC level, just a few data points for an occasional year.

1.13. Bangladesh was the leading LDC services exporter and, to the Secretariat's knowledge, the only LDC that produced bilateral statistics on trade in services. It was therefore possible to have some information on services exports by destination, for modes 1, 2 and 4, which showed that Bangladesh exported services to both developing and developed Members, with the European Union as the biggest destination, followed by the United States. In terms of the type of services that were exported by Bangladesh to the EU, after air transport services, other business and professional services were the second-largest and accounted for 26.6% of the total, with computer services accounting for 8.1%. When it came to Bangladesh's services export to the United States, the share accounted for by computer services was almost double that of the European Union, while the share of other business and professional services was lower than in the case of the European Union.

1.14. In terms of elements necessary for a successful strategy to improve trade in services statistics, what was needed were efforts by national statistical agencies; financial resources to collect and compile statistics, because designing and running surveys was very expensive; cooperation between national institutions, such as the Central Banks, the national statistics office and the Ministry of Trade; and cooperation between international and regional institutions in support of national initiatives, in order to achieve an effective technical assistance that was targeted to countries' needs.

1.15. The representative of Senegal said that services trade data was crucial to assess trade in services and the opportunities for LDCs in that area, and that lack of data represented a challenge in trying to review the operation of the Waiver preferences. He had noted that certain LDCs were more advanced in their data collection, and notably Bangladesh, and sought to understand what could be learnt from the experience of Bangladesh in that regard. He called for technical assistance to help improve services trade data collection. He also noted that data proved a challenge not only for LDCs but for all Members and that efforts were needed to improve the situation.

1.16. The representative of Uganda said that services data collection was a daunting task and that it had indeed proven very challenging for Uganda. She noted the difficulty of obtaining disaggregated data and of integrating data from various sources in a manner that avoided duplication and inconsistencies. Different data sources were indeed used, and that created variance with regard to data accuracy, frequency, coverage, relevance and processing. For Uganda, persons and households' surveys, and in particular border and labour force surveys, constituted a major source for the production of mode 2 statistics. However, those surveys were not often carried out, which was a problem in itself.

1.17. Bilateral statistics were amongst the biggest challenge, but they were especially essential to undertake an assessment of the operation of the Waiver preferences. Although she had noted from the Secretariat presentation that data was available with regard to tourist arrivals, she noted that services trade was about much more than just tourism services. She also wished to understand if

useful lessons could be drawn from Bangladesh's experience, and other Members' views in that regard would be welcome as well.

1.18. Before responding to the questions asked of his delegation, the representative of Bangladesh sought additional information from the Secretariat about the reasons for lack in trade data in the rail transport sector for LDCs.

1.19. Turning to the questions about Bangladesh's availability of services trade data, the representative stated that, while he could not instantly provide a detailed statistical analysis, he could report that, despite its limited capacity, Bangladesh had always tried its best to ensure data availability. Coordination had been a key factor for successful information dissemination. The National Statistics Office under the Ministry of Planning worked closely with all relevant organizations. The Central Bank, the Bangladesh Bank, was also maintaining records and publishing data regularly, and the Ministry of Commerce was also involved. Moreover, the coordination unit at the Prime Minister's Office had always promoted effective collaboration and data-sharing among the agencies. Private sector entities were also providing data to the Central Bank. For the particular dataset of presented by the Secretariat, the reporting format might also have helped. He stated that, when there was good coordination among the relevant and competent agencies, availability of data was not a problem.

1.20. The representative of Myanmar thanked the WTO Secretariat for its hard work and professionalism and other international organizations for their presentations at the workshop. She underscored the importance of the workshop for LDCs because, in the past, LDC service suppliers had been categorized as unskilled or low-skilled. Since LDC service suppliers were quite wide ranging and reflecting diversity, she requested that Members notify more Waiver preferences in favour of LDCs.

1.21. She recognized that services trade data was challenging for LDCs. During the Secretariat's presentation, she had noticed that Myanmar's data on destination of other business services exports was not available and she would convey the message to the Capital for further cooperation. She called for greater support to improve the collection of export and import statistics and to obtain information about the destination markets for LDC exports.

1.22. She encouraged Members to grant preferences that removed barriers for LDC suppliers to enter markets, especially developed markets. Evidently, consumers placed high value on LDC service suppliers in the sector. Finally, she urged greater information exchange among the Membership to ensure the realisation of the benefits emanating from the Waiver preferences and to support LDC services sectors and trade.

1.23. The representative of Brazil noted that, based on the Secretariat's presentation, Brazil was the destination market for 0.2% of Bangladesh's exports. According to Brazilian BoP statistics, in 2017-2018 Brazil had imported less than 0.1% of services from LDCs. These imports had come specifically from seven LDCs, and mostly from Angola, but not from Bangladesh; it would therefore be useful to understand the discrepancy with the data reported by the Secretariat. It would also be interesting to know more about best practices and successful projects of cooperation between Central Banks, Statistical Offices and Ministries. Bangladesh had shared its experience, but it would be helpful to discuss other examples of how inter-agency cooperation might help improve services trade data collection.

1.24. A representative of the Secretariat replied to the question from Bangladesh by indicating that the breakdown for transport services only included air, sea and road transport. She added that the focus was on exports of rail transport services, not on domestic supply.

1.25. She then stressed that inter-agency cooperation was very important, and that it was essential to involve all the different stakeholders concerned by data production and compilation and those who were interested in data. She acknowledged that Central Banks and National Statistics Offices had their own priorities and hence needed to be educated by those who were using the data as to why such data was needed. It was also an internal education process. In the Secretariat's experience, when the Ministry took the lead, eventually projects succeeded, although the Ministry needed to interact and coordinate with other agencies. The existence of a statistics committee, possibly headed by the Ministry, and cooperation with the private sector, which sometimes had data

but was not willing to release or publish it because of confidentiality issues, also helped. The ability to maintain the confidentiality of the data was crucial in that regard. Those were some examples of best practices.

1.26. In terms of funding, it was possible to explore donor funding. For instance, as she had mentioned at the Council meeting of October 2018, PARIS21, the Partnership in Statistics for Development in the 21st Century, worked with national statistics offices to develop a national plan for the production of statistics in developing countries. If LDCs ensured that the development of trade in services statistics was included in their national five-year plan for the development of statistics (NSSD), a plan which was normally approved by Parliament, it would be easier to get access to donor funds. In the case of LDCs, the NSSD would be almost fully funded by donors.

1.27. With regard to the importance of improving data collection and experience-sharing, she said that the experience of Bangladesh, as the leading LDC services exporter, was important and showed the impact of bringing all stakeholders together.

1.28. Finally, the Secretariat was aware that another important preference grantor would make available more detailed statistics at the bilateral level in 2020, although it was not known at what level of detail.

1.29. The Chairman suggested that the Council take note of the statements made.

1.30. It was so agreed.

2 ITEM B: INCREASING PARTICIPATION OF LDCS IN SERVICES TRADE AND EXPANSION OF THEIR SERVICES EXPORTS THROUGH, INTER ALIA, PREFERENCES NOTIFIED UNDER THE LDC SERVICES WAIVER

2.1. The Chairman recalled that, as stated at the start of the meeting, under item B delegations might provide their assessment of the practical use of preferences by LDC service suppliers, and exchange information on success stories and challenges, including in relation to LDC national development goals; share their experiences of technical assistance and capacity-building measures to orient and enable LDC service suppliers to take advantage of preference benefits available, as well as measures aimed at promoting increased LDC participation in international services trade; or exchange views on how to further facilitate benefits provided under the Waiver as well as other measures aimed at increasing the participation of LDCs in world services trade.

2.2. The representative of Uganda, speaking on behalf of the LDC Group, thanked the Chairman, the WTO Services Division and Members for having worked with the Group to organize and deliver an excellent workshop. The LDC Group also thanked Director-General Azevêdo for having opened the event, as well as Ambassador Johnson for having so eloquently delivered the intervention on behalf of LDC Group Coordinator Ambassador Makaila of Chad, who had to be out of Switzerland, and the focal point, Ambassador Aparr, who had encountered an emergency.

2.3. The LDC Group had found the panels extremely rich and thanked the first panel for setting the scene in no unclear terms and for having given Members food for thought. Enormous value-addition was achieved with the participation of LDC services suppliers. They had shared their experiences in developing their businesses, supplying services domestically and exporting to their regions and abroad. For this, the LDC Group gave special thanks to ITC and to Ms. Chilala of the WTO's ITTC, who had mobilized resources to support the participation of LDC suppliers. The LDC Group was thankful that those LDC participants had been able to surmount the obstacles of obtaining a visa, as others had not been able to attend because of visa difficulties.

2.4. At the workshop, the LDC Group had learnt about the successes and challenges of the LDC suppliers present, which were aligned with the elements found in the LDC Collective Request. The LDC Group had noted a number of take-aways. These included: the need for financing to assist LDC service suppliers and the role of institutions such as the Enhanced Integrated Framework in that regard; the very high insurance costs faced by some LDC firms to supply services; the standards that had to be met for quality rankings; a number of behind-the-border and regulatory constraints in export markets that proved impediments for LDC suppliers.

2.5. The LDC Group thanked the notifying Members that had intervened at the workshop to share the results to date in terms of services imports from LDCs and about the supply-side assistance that they provided. The LDC Group also thanked the International Organizations that had intervened, and called upon them to move forward on a number of programmes, as follows.

2.6. First, the ITC should continue to produce its services snapshots for LDCs and retain LDC consultants in LDCs to gather information on services sectors, export markets, services exports and any barriers or challenges identified, as well as to document success stories. This information could then be sent to ITC to compile a database to benefit LDCs and assist in tracking progress.

2.7. Second, UNCTAD should continue and upgrade its Services Policy Reviews and prepare them for each LDC. In addition, UNCTAD should ensure that at least one of its multi-year expert meetings was dedicated to LDC services issues, ensuring that LDC service suppliers and policy-makers participated.

2.8. Third, the LDC Group requested the WTO Secretariat to continue to prepare and update the very valuable and welcome LDC country profiles, with information on services exports, imports, share of GDP and modes of supply. More information and data on destination markets should be added for future updates. For further clarity, she explained that the LDC Group had requested that information for the workshop and for the LDC Group's further use, had been delighted that the Secretariat had provided it, and thanked them again for their excellent work.

2.9. The LDC Group thanked all of the Members having notified Waiver preferences and once again called upon those that had not yet done so to notify preferences. In looking a back on the LDC Group's journey and the assessment of notifications that the Group had engaged in with Members in the recent past, the LDC Group wanted to express its appreciation to Australia, who had been the first Member to submit a notification in response to the LDC Collective Request with a format that was understandable and contained many sectors of interest. That had prompted a number of other notifications with a similar format. The LDC Group had asked that Members be clear about what constituted a preference.

2.10. The LDC Group also thanked Members for providing market access, national treatment and mode 4 preferences. The impediments LDC services suppliers continued to face had been recalled in the remarks by Ambassador Kokou and by some of the LDC suppliers who had spoken at the workshop. The LDC Group especially applauded India for having covered elements from the Collective Request in market access but also waiving visa fees, having introduced a preferential quota for LDCs, capacity-building and technical assistance activities and programmes, as well as for the information that LDC exports to India had actually doubled as a result of the Indian preferences.

2.11. The LDC Group likewise thanked Turkey for having waived work permits for some categories of their suppliers, and China for having introduced preferred destination status to help promote tourism to LDCs. The LDC Group had especially noted the further step taken by those delegations to share available figures and underscored that this had shown that Members could share data relating to the preferences that they had notified. The LDC Group would appreciate if this information was always relayed to the WTO Secretariat.

2.12. The LDC Group requested that Members consider doing more to reduce and eliminate regulatory and procedural hindrances and constraints on LDC suppliers to enable them to respond to demand from consumers in their markets. Strengthening the supply-side was seen as imperative to assist LDCs in a comprehensive approach to advance their services sector and trade and to improve their economies.

2.13. The LDC Group hoped that events like the workshop would be held again in the future, and that the WTO would earmark sufficient financing to bring LDC service suppliers to continue discussing and exchanging their experiences and views. The LDC Group also requested that notifying Members arrange to bring some of their consumers of LDC services. The LDC Group was particularly thankful to CBI Netherlands for the very useful insights regarding the EU market and looked forward to more engagement of that kind in the future.

2.14. The LDC Group stated that awareness-building and orienting LDC suppliers, and consumers in notifying Members, would go a long way to communicating the message behind the Waiver

mechanism and the objectives of improving and advancing LDC participation in services trade. The LDC Group had heard from Australia, Japan and India about the activities that they were conducting in that regard and applauded them. The LDC Group called on other Members to do the same and to provide them with such information. The Group in Geneva had prepared a demarche on the Waiver, which they had shared with their Capitals to assist in awareness-raising about the Waiver preferences.

2.15. The representative of Senegal associated her delegation with the statement by Uganda on behalf of the LDC Group. Senegal had always considered that, while regulation was necessary for consumer protection and the realisation of other public policy objectives, it could also constitute an obstacle to market access for foreign suppliers, especially those of LDCs. That was why the operationalisation of the services Waiver was of fundamental importance for Senegal, as it aimed to fully capitalize on the preferences granted by notifying Members, to which Senegal expressed its deepest gratitude.

2.16. She emphasised that her Trade Minister, H.E. Madame Aminata Assome Diatta, had intended to travel to Geneva to attend the dedicated session, but her engagements had prevented her from doing so. But she wished to convey, through the presence of the representative, the special importance that she accorded to the event and to the review of the operation of the Waiver preferences.

2.17. In June 2014, Senegal had identified four priority sectors with real export potential, namely health services, IT processing services, motion picture and video tape production services. In order to be able to fully analyse the preferences granted under the Waiver, in January 2017 Senegal had received the support of the WTO Secretariat with the organisation of a national technical assistance activity on that issue.

2.18. The establishment of a working group dedicated to the analysis of the Waiver preferences granted would soon deliver its conclusions, which Senegal would disseminate to Members, and notably to preference-granting Members. Preliminary results of the working group indicated that there had been significant improvements for LDCs, but that the expectations of LDCs as per their Collective Request, mainly on horizontal preferences, had to be better taken into account.

2.19. Senegal recalled that LDCs' expectations concerned the elimination of all market access and national treatment restrictions, including residency requirements imposed on LDC professionals; the elimination of any kind of restrictions regarding the recognition of professional qualifications and the accreditation of business establishments from LDCs; the elimination of certain categories of measures regarding visas, work and residence permits, especially those requiring financial guarantees as pre-condition for the demand of visas or work permits.

2.20. In addition to the regulatory constraints that considerably increased the cost of doing business for LDC service suppliers, there were a series of additional difficulties related to the supply-side capacity of LDC suppliers, which frequently damaged the international competitiveness of LDCs and limited their commercial potential. While Senegal acknowledged that there was a great deal of development potential in services trade, this was hindered by a certain number of constraints, mainly the lack of knowledge about the actual significance of different service subsectors, the export markets, the different actors involved or the investment opportunities. Those were the kind of constraints that Senegal aimed to address via the formulation of a national strategy for the development of services exports which was being finalised at that juncture. That strategy was based on, and aimed to complement, work done domestically in the area of services, such as the Diagnostic Trade Integration Studies (DTIS) carried out by the Enhanced Integrated Framework in October 2013, the economic analysis of services, for which Senegal had received support from the European Union and to whom it wished to express its gratitude, and the study on Business Process Outsourcing services, on which a strategy had been built and validated that year.

2.21. The operationalisation of the LDC Waiver had to go hand in hand with the implementation of strategies aimed at strengthening national capacities in regard of service supply. Senegal was convinced that the increased participation of LDCs in services trade had to be treated like a development policy tool, as a way of bridging the infrastructure gap between developed and low-income countries.

2.22. In that regard, she recalled that the Bali Ministerial Decision underlined the need for enhanced technical assistance and capacity-building to help LDCs benefit from the operationalization of the Waiver. It also called for special focus to be directed towards the delivery of targeted and coordinated technical assistance aimed at strengthening the domestic and export services capacity of LDCs, making optimal use of existing aid-for-trade channels such as the EIF and the technical assistance and capacity-building work of relevant international institutions.

2.23. She concluded by noting that the working group she had previously mentioned was going to continue working on specific technical assistance projects on the basis of the opportunities and constraints that had been identified by consulting with services exporters. Once it had been finalised, Senegal would share with Members the results of that work and hoped to be able to continue to count on their support, and in particular on that of its technical and financial partners.

2.24. The representative of Mali wished to thank China, who had made it possible for Mali's delegates to attend meetings, France, the Netherlands and all Members that welcomed Mali's interns and students, and those Members who helped train Malians.

2.25. Mali faced a number of problems. A significant proportion of its territory was under Jihadi occupation and this had created tensions within the country. According to UNICEF, 920 schools had closed because of the Jihadist movement, and the previous week there had been two more cases. Schools were closed, teachers were kidnapped, books and notebooks were burned and that was an impediment to development.

2.26. There was also a problem with respect to tourism, as had been stressed at the workshop the previous day. The young people in the Dogon or in Tombouctou who were tourist guides were being forced into the Jihadist movement or joined the movement because their families were threatened. The northern part of the country simply had no public services, nor did the south, and there were no education or health services. As a result, there were extremely high numbers of internally displaced people; Bamako had had to welcome many people, and she wished to thank Burkina Faso, Niger and other neighbouring countries which had welcomed refugees.

2.27. Mali was a landlock country of over 1.2 million square kilometres, with no transport services to export. It did export computer services, but production costs were very high because, as a landlock country, electricity and fibreoptic services were very expensive and this limited its suppliers' competitiveness. It was encouraging to learn about the success of Myanmar and Bangladesh in exporting computer services, but unfortunately Mali's constraints meant that it was not a services exporter.

2.28. There was an additional problem. In order to attend the workshop held the previous day, her colleague, Ms. Cissé, had only gotten her visa the day before she was due to travel. The Waiver was only good on paper if, in spite of funding to attend a workshop, a visa was not granted. She was not asking for a free visa: if someone could pay for their air ticket, they could pay US\$ or EUR 100 for a visa. The problem was that the visa was simply not granted; even when someone came to attend an official WTO meeting, it was difficult to get a visa. The Waiver was important, but it did not seem to have an impact on the ground, and it was essential to make sure that it did happen. One of Mali's national Directors had been unable to attend a meeting that he needed to and that was insulting and humiliating. Those were fundamental issues.

2.29. The representative of Malawi echoed the statements by Uganda, Senegal and Mali about the challenges related to obtaining a visa, which were also applicable to Malawi and which put LDC suppliers at a competitive disadvantage. During the workshop, his delegation had learnt that there were many countries and organisations offering capacity-building workshops to help LDCs with services data collection and he called on the Secretariat to provide more information on how LDCs might have access to those initiatives.

2.30. The representative of Vanuatu wished to share some recent information on how it had been benefitting from the Waiver and to highlight some aspects that it found warranted greater efforts.

2.31. The tourism sector held a crucial place in Vanuatu's national strategy towards development. In 2017, approximately 65% of Vanuatu's exports were in the tourism sector, which highlighted its economic importance. In terms of facilitating and analysing the strength of the sector, issues like

transit fees and preferred destination status could assist Vanuatu's domestic service suppliers in increasing their participation in world services exports and strengthening their performance. In that sense, he thanked China for the preference it had granted. Other services sectors of importance to Vanuatu were transport, ICT, education and financial services, as per WTO data.

2.32. Finally, he underscored the importance of timely and accurate Waiver notifications from Members, to ensure that the barriers identified by LDC suppliers were removed, thereby providing greater market access and allowing LDC to fully reap the benefits granted under the Waiver. As the 2019 World Trade Report indicated, the service sector had become a key component of international trade. In order to better understand the importance and impact of that phenomenon, it was essential that sufficient data and information was collected, disseminated and analysed to allow the full potential of the sector to deliver on development.

2.33. The representative of Panama said that her delegation understood and was familiar with the asymmetries that LDC faced. After an extensive analysis of its sectoral legislation, taking precisely into account the sectors which LDCs had indicated as of interest in terms of preferential treatment, in 2017 Panama had submitted its notification of preferences under the Waiver, in which it had offered actual preferential treatment in favour of services and service suppliers from LDCs.

2.34. Panama had granted preferences that went beyond the commitments scheduled under the GATS and its applied regime, with the goal of strengthening the services export offer of LDCs. Panama's preferences concerned computer and related services; rental/leasing services without operators; other business services, notably personnel placement and supply services, maintenance and repair of rail transport equipment, building-cleaning services, photographic services, packaging services and printing and publishing services (except printing of national written media); tourism and travel-related services; recreational, cultural and sporting services; rail transport services and auxiliary services related to all modes of transport.

2.35. Her delegation was of the view that granting those preferences had contributed to improving exports from LDC, also increasing their economic diversification and structural change. Panama underscored that its preferences had been granted in sectors which LDC had indicated were of interest to them.

2.36. Panama understood that measures might be needed to permit LDCs to take advantage of the preferences notified, in order for those preferences to result in actual benefits. It was necessary to increase awareness of the preferences notified, to permit service suppliers to acquire a more extensive knowledge of the market access opportunities available. Her delegation was of the view that it was necessary to continue with the identification of service sectors in which LDC suppliers had a comparative advantage, in order to improve their supply capacity, as well as to address other issues, such as reforms of LDC regulatory frameworks in order to reduce existing barriers.

2.37. Panama was proud to collaborate with the LDCs and called upon them to make use of the Waiver preferences as a means to provide for significant trade opportunities.

2.38. The representative of Zambia joined previous speakers in supporting the intervention of the Ambassador of Togo, on behalf of the Ambassador of Uganda, at the opening of the workshop. The intervention had recalled the journey that had led the LDC Group to the dedicated session.

2.39. Trade in services had emerged as a new frontier for promoting sustainable growth and development in developing countries and had become the most dynamic element of international trade, growing more quickly than trade in goods. The sector accounted for two-thirds of global output and slightly less than half of world employment.

2.40. LDCs were becoming active in services trade. This was important for economic diversification, employment and Zambia's industrial development. Services had grown as a percentage of GDP, and Zambia's services share was 64%. The services sector provided key inputs into the production and trade of all products, playing an important role in global value chains. For this reason, promoting efficiency in the services sector was essential for catalysing the growth of other sectors, thereby contributing to economic development.

2.41. The GATS provided the legal ground rules for international trade in services, allowing WTO Members the flexibility to open their markets to foreign competition to the extent of their choice. Zambia was actively participating in trade in services negotiations under the African Continental Free Trade Area (AfCFTA), the Southern African Development Community (SADC), the Common Market for Eastern and Southern Africa (COMESA) and the Tripartite Free Trade Area as part of national efforts to expand markets and to enhance benefits from regional integration.

2.42. Zambia's National Trade Policy and National Export Strategy of 2018 emphasised the importance of services trade and identified supporting the development of "services exports, particularly in the tourism sector as well as other potential sectors" as one of the policy objectives, alongside the development of a vibrant domestic services sector and an enabling regulatory environment to support further investments.

2.43. The services sector was very important to the Zambian economy. Available WTO data showed that tourism exports ranked highest among its services exports to the EU, at 45.8%, followed by distribution services at 30.2%, financial services at 10.6%, telecommunications, computer and audio-visual services at 5%, with additional exports in transport, recreational/cultural services, educational, health services, other business and professional services.

2.44. Zambia also recognized the challenges of obtaining data and called for more support to expand on the good work done by the WTO Secretariat, develop its export and import statistics and acquire more information on its export destination markets. Zambia also noted that its exports happened across all modes of supply, led by mode 1 at 48.3%, followed by mode 2 at 45.8%, mode 3 at 5% and mode 4 at 0.9 %.

2.45. The service sector had witnessed increased FDI inflows and significant growth in the recent past because of reforms undertaken and was now contributing significantly to job creation and income generation. It was also a major input into the production and export of goods and services. Growth had been propelled by the opening up of the economy and of FDI inflows.

2.46. The sector had exhibited potential to promote sustainable economic growth despite Zambia at that time being a net services importer. In 2013, services imports had amounted to US\$1,460 million, compared to US\$585 million in export receipts. Trade in services had grown at a slow pace, with available data revealing that Zambia's services imports were dominated by transport, travel and business services.

2.47. Even in the immediate context of regional integration, the LDC Waiver could offer a complementary tool, namely in cases where there was readiness to grant limited preferences to weak exporters only, hence not to all RTA partners; where there was hesitation or insecurity as to whether a facilitation measure would work and not cause damage, so that the flexibility to retract a preference under the Waiver was welcome; or where the implementation of regional measures depended on cooperation that might have been delayed, so that a unilateral measure under the Waiver could be a useful way to make provisional progress.

2.48. The case of Zambia made clear that regional services integration was often the most promising avenue for progressive integration and liberalisation, not least because it could facilitate and integrate regulatory coordination and cooperation.

2.49. Zambia was thus well-advised to have had a double strategy: having advanced the regional agenda forcefully, while having kept the Waiver closely in view as an important tool in the toolbox. When formulating specific demands and presenting them to trading partners, the Waiver should always be considered as a complementary or alternative option to the often bigger, more intensive regional integration tools.

2.50. As the operationalisation of the LDC Waiver was a standing item on the agenda of the Council, Zambia wished to express appreciation to the cooperating partners for their longstanding support to its country's development efforts through the promotion of trade in services as a means of economic development. Zambia called on WTO Members to undertake capacity-building measures that would enable LDC suppliers to take advantage of preferential treatment notified under the Waiver.

2.51. Zambia was a "landlocked land of opportunity" for services and services exports. The booming of the mining sector was translating into opportunities for services, including direct services exports in the four modes of supply.

2.52. Challenges encountered by Zambia in the context of accessing export markets were those common to many LDCs. Most of those challenges were not being addressed by the response of WTO Members to the Waiver until then. The main reason was that most trading partners, including for services exports, had not responded to the call for preference programmes for LDC services and service providers.

2.53. While the primary expectation of preferences was from developed Members and developing Members in a position to do so, unilateral preferences for LDCs could have been usefully considered and granted by all WTO Members, including LDCs themselves. This applied even in the context of progressive regional integration, as in the case of Zambia, which was involved in at least four regional processes covering services (SADC, COMESA, Tripartite and AfCFTA).

2.54. Zambia encouraged Members to add more preferences removing procedural and regulatory barriers to its suppliers entering markets in developed market. Zambia also stressed the need for recognition of the qualifications of professionals who were competitive. Consumers in other markets placed high value on Zambia's service suppliers. Some of the procedural and regulatory barriers were reflected in Sections B and C of the LDC Collective Request, to which Zambia had contributed. Costs and time delays to obtain visas, hurdles to obtain work permits and other licenses to supply services should be reduced for all LDCs.

2.55. Zambia encouraged more understanding and exchange of information among all the Membership to work towards ensuring that LDCs were able to benefit from the Waiver preferences and building supply-side support to services sectors and trade. Zambia recognised the need to work towards increasing competition and pushing for a strong regulatory base of domestic services reforms in the quest to operationalise the Waiver.

2.56. To promote the services agenda, it was essential to build a higher degree of awareness, at business and at government level, of the factors that impacted local competitiveness and how to influence them. There was a need to improve understanding of both the fundamental dissimilarities, and interrelationships, between goods and services trade, as well as the specific needs of services SMEs to perform better in international markets.

2.57. The LDC share in world services exports was still only 0.5%. Better integration into the global services economy required action not only on the demand side, in the form of market preferences, but also domestic action on the supply side.

2.58. The representative of [Brazil](#) recalled that in 2017 his delegation had notified 25 preferences for LDCs under the Waiver. He highlighted the importance of technical cooperation, capacity-building and training as indirect tools for the creation of a sound business environment for the development and promotion of LDCs services exports.

2.59. He shared some information on the Brazilian experience regarding capacity-building and institutional strengthening in developing countries, especially LDCs. Available data from the 2014-2016 Report on Brazilian Cooperation for International Development showed that Brazil had spent US\$200 million per year specifically on bilateral South-South technical cooperation (not including multilateral cooperation) mainly addressing health services, environmental services, agriculture services (including Cotton-4 projects) and education services. Regarding education, Brazil had granted more than 5'000 graduate, Master and PhD scholarships in fields such as information technology, health, tropical diseases, agriculture and environment services. All the top six beneficiaries were LCDs, namely Mozambique, Guinea-Bissau, Angola, Benin, the Democratic Republic of the Congo and Haiti.

2.60. Following up on comments from the representative of Senegal on one of the main challenges faced by LDCs in taking advantage of the preferences granted under the Waiver, namely the lack of information or access to investment opportunities, he encouraged LDCs to participate in the Joint Statement Initiative on Investment Facilitation for Development, whose main objective was exactly to address, in a future WTO legal framework, that kind of concern. In its national system for

facilitating foreign investment, Brazil had established a single electronic window and an ombudsman that were valuable tools for helping SMEs access the Brazilian market. In that regard, Brazil had already concluded 16 investment facilitation agreements with developing countries in Africa, Asia and Latin America.

2.61. The representative of China thanked particularly the LDCs for having shared their experience and the challenges faced in developing their services export industry. China also thanked the WTO Secretariat for the successful organization of the workshop, a very informative and valuable event which had provided good guidance to the better and further implementation of the Waiver.

2.62. China had been an active participant and contributor under the Waiver. In recent years, China had been taking concrete steps to fulfil the commitments made by President Xi Jinping at the 2015 UN Sustainable Development Summit, including further liberalizing services sectors for the benefit of LDCs and further enhancing capacity-building for LDCs.

2.63. From the presentation given by the Secretariat representative at the workshop, one could see that tourism and related services were of utmost importance to LDCs. Therefore, China's intervention would first focus on that sector.

2.64. Tourism was a service sector where many LDCs had a competitive edge and strong export interest. As part of the preferences it had notified under the Waiver, China would "enable more interested LDC Members to acquire Authorized Destination Status (ADS)" and "enhance its assistance to LDCs in relation to construction of the infrastructures essential to tourism services. These infrastructures included hotels, scenic spots, roads, railways, ports and telecommunication networks". To fulfil those commitments, China had been making continuous efforts, as the instances that followed demonstrated.

2.65. Over previous years, China had provided substantial assistance in the construction of airports in many LDCs, including Nepal, Sierra Leone and Liberia, and in the construction of roads and bridges in many LDCs, including Cambodia, Myanmar, Ethiopia and Niger.

2.66. China had become the biggest source of overseas tourists in LDCs and the ADS regime had played an important role in promoting tourism in various LDCs. The ADS regime established bilateral cooperation frameworks on group tourism visas and facilitated tourism agencies in their organization of tour groups to beneficiary countries and regions. Since 2011, 20 countries or regions had been added to the ADS list, among which 7 were LDCs. Altogether, 35 LDCs had acquired the status of ADS.

2.67. Recent years had witnessed rapid growth of Chinese tourists to LDCs. In the absence of complete data, China wished to share a country-specific example. According to Cambodian statistics, in the first half of 2019, 1.2 million Chinese tourists had visited Cambodia, having grown 3-fold since 2016. China represented more than a third of the total number of foreign tourists to Cambodia, and Cambodia had ranked 8th in the "most favourable tourism destination" for Chinese tourists.

2.68. As many Members had pointed out, the LDC services Waiver itself would not work automatically, and in order to bring real benefits to LDCs, there was more work to be done beyond simply providing market access. It was also the case for the previous example. Several other important factors had contributed to the rapid growth of Chinese tourists to Cambodia.

2.69. First, with rapid economic development, outbound tourism had grown quickly in recent years. The total number of China's outbound tourists/trips had reached 149.7 million, registering a 130% growth compared to 2011. That growing demand had brought great opportunities to all Members, including LDCs.

2.70. Second, China and Cambodia had worked closely together under the Belt & Road Initiative and other mechanisms and had made remarkable contributions to the infrastructure in Cambodia, including infrastructure related to tourism. China had helped Cambodia finalize its No.6 Expressway Project in June 2018, reducing the trip from Phnom Penh to Siam Reap, a famous tourist destination in Cambodia, from 8 hours to only 4 hours. This had greatly facilitated the travel between the two cities for tourists.

2.71. Third, the efforts of Cambodia to promote its tourism market had been admirable. The Cambodian Government had started to provide e-Visas and visas-upon-arrival for Chinese tourists in 2014. The Cambodian government had also made remarkable progress in improving the tourism and security environment, thus facilitating the rapid growth of its tourism sector.

2.72. China would always be a reliable friend to other developing countries, and in particular LDCs, and was ready to share the opportunities brought by its development with other Members. The case of the tourism sector in Cambodia was only one example, and China was ready to continue to work with LDCs, with a view to helping them build a more robust and inclusive services industry in the future.

2.73. Turning to data on technical assistance and capacity-building, the representative indicated first, that to enhance human resources development and cooperation China had held nearly 160 technical assistance activities on trade in services since 2015. Those technical assistance activities had focused on areas such as tourism, hotel management, distribution and IP protection, and 4'400 officials and technical staff from developing countries, mainly LDCs, had benefited from those programmes.

2.74. Second, China had worked with International Organizations to provide assistance under its South-South Cooperation Assistance Fund. China had worked with the WTO on several programmes, such as a study on multilateral investment facilitation or on improving access to trade and market access statistics databases. China had also worked with the International Civil Aviation Organization to hold training programmes for senior civil aviation officials from developing Members. Those programmes had positively contributed to enhancing the competitive edge of beneficiaries in trade in services.

2.75. China underscored that it was ready to continue to contribute actively to the effective implementation of the Waiver. China encouraged Members to exchange best practices in that regard, with a view to providing more effective support for LDCs to further participate in, and benefit from, global services trade.

2.76. The representative of Thailand recalled that Thailand was one of the 24 Members that had notified preferences in favour of LDCs under the Waiver. Thailand's Waiver preferences, notified on 17 February 2016, granted LDCs service suppliers greater access to the Thai market in 6 sectors, namely camping and camp site services, theme parks and amusement parks, foreign language tuition services, holiday centre and home services, maritime agency services, and maritime cargo handling.

2.77. Thailand had made available on the website of its Department of Trade Negotiations (www.dtn.go.th) the information on the preferential treatment resulting from Thailand's Waiver notification, in an attempt to promote awareness and encourage relevant stakeholders to make use of the market opportunities available.

2.78. To provide a clearer picture of the operationalization of Thailand's preferences, the representative shared the following information. First, on the utilization of preferences under the Waiver, in the absence of statistical data at the relevant sub-sectoral level, Thailand had relied upon the Department of Business Development's database on economic activities measured according to Thailand's Standard Industrial Classification (TSIC). The data illustrated that LDCs mode 3 service exports to Thailand originated from Nepal, Cambodia, Uganda and Mali, in language learning services, with an investment value of US \$86'700, from Nepal and Myanmar in hotels and resorts services with an investment value of US\$ 2.5 million, and from Nepal in guest house services with an investment value of US\$ 33'300.

2.79. As pointed out at the workshop held the day before, LDCs tended to trade services regionally. The above-mentioned data also demonstrated that LDC services exports to Thailand were mostly from those LDCs within the region. That further underscored the potential role that the Waiver could play in helping LDCs, especially neighbouring ones, to increase their share in services trade at the regional level.

2.80. Second, Thailand had actively engaged in technical assistance and capacity-building programmes at the bilateral level, the sub-regional level, such as in the Greater Mekong Sub-

Regional (GMS), the Ayeyawady–Chao Phraya–Mekong Economic Cooperation Strategy (ACMECS), and the Mekong–Lancang Cooperation (MLC), as well as at the regional level such as in ASEAN. Thailand had been working closely with International Organizations, such as the Mekong Institute, the Asian Development Bank, the World Bank and the United Nations, as well as in collaboration with other trading partners such as China, Japan, the European Union, the United States and Australia in undertaking assistance for those in need.

2.81. Thailand's experience of technical assistance and capacity-building included training courses, seminars, workshops, dispatching experts, business-matching activities and scholarship programmes. In tourism service, which was one of the key sectors under Thailand's Waiver preferences, workshops had been organized for Cambodia, Lao PDR and Myanmar on "Way towards Sustainable Community-based Ecotourism" in November 2018, and on "Tourism Ethics: Roles of Key Stakeholders in Responsible Tourism Development" in January 2019.

2.82. In addition, technical assistance and capacity-building programmes provided by Thailand in recent years also covered boarder areas relating to trade, investment, the digital economy and SME development. The beneficiaries of those programmes included Bangladesh, Lao PDR and Nepal for the Scholarship in Microfinance for Small and Medium-sized Enterprises Development; Lao PDR for the Training Course in Sustainable Transport and Logistics Planning and Management; Nepal and Bhutan for the Regional Workshop on E-commerce and Emerging Digital Trade Enabling Agenda.

2.83. To conclude, Thailand reiterated its commitment to the effective operationalization of the Waiver with the aim of supporting LDC participation in international services trade towards the achievement of national development goals. Thailand would continue its efforts in providing demand-driven assistance in order to strengthen LDC capacity in using the preferences granted to them and encouraged LDCs to make use of the preference benefits available.

2.84. The representative of India took the opportunity to congratulate the Secretariat, the full WTO Membership and especially the LDC Members on the organisation of the very useful and timely workshop held as part of the dedicated session to review of the operation of the Waiver preferences. India recognised that LDCs needed special focus and attention and wholeheartedly supported information-sharing sessions in the context of the Waiver, both in the workshop that had brought together all relevant stakeholders and had resulted in very rich discussions, as well as during the formal session of the Council.

2.85. She provided background information on the preferences that India had notified. India had notified preferential treatment in favour of LDC services and service suppliers with effect from 1 December 2015. The preferential treatment had been made available in sectors and modes of supply that were of particular export interest to LDCs, as set out in the LDC Collective Request. The details of the preferences granted were contained in document S/C/N/833, dated 30 September 2015.

2.86. India had offered preferential treatment in the following areas: visa-related issues, where it had waived the visa fees for LDC applicants seeking Indian business and employment visas. India was the only WTO Member who had waived visa fees under the Waiver. That preference had been very well received by the LDC Group. She recalled that, according to Uganda's then Minister of Trade, Industry and Cooperatives, Amelia Anne Kyambadde, onerous application fees for visas, licenses and residence and work permits for many LDC nationals were tantamount to one month's salary for their families. Also, there was a severe loss if the visa was not granted and the fees were not returned. That statement had very clearly signified the value of the preference granted by India, especially for service suppliers who were natural persons. The then LDC Coordinator and Uganda's Ambassador Christopher Onyanga Aparr had remarked that the visa waiver was a really good thing if India did it in practice. The representative of India stated that, four years later, India had done it and would continue with it for the full duration of the Waiver.

2.87. India had also notified technical assistance and capacity-building in several areas.

2.88. Under market access, India's preferences had been made in various sectors and subsectors and access granted for a number of categories of mode 4 professionals from LDCs, including foreign language teachers, chefs, sportspersons, tourist guides with a special quota for LDCs, tour operators, consultants, engineers and computer professionals, installers and servicers and without the

requirements of Labour Market Tests (LMT). She underlined that such access without LMTs was critical in order to make the preferences commercially meaningful and more predictable and certain. Access for many of those professions had been granted by India for the first time in any trade agreement.

2.89. India had also offered very liberal, GATS+ market access openings in several service sectors, such as engineering services, management consulting services, building cleaning services, packaging services, convention services, entertainment, cultural and sporting services, hotels and other lodging services, travel agencies and tour operator services, maritime transport and maritime auxiliary services, with full commitments in modes 1 and 2 for most sectors and with 100% foreign equity participation under mode 3. In computer and related services, India had offered preferences at the 2-digit level (CPC 84) considering the rapid technological advancement in the field.

2.90. Subsequently, she addressed the critical issue of the implementation and utilization of those preferences by LDC service suppliers. On the waiver of visa fees for all LDC applicants, the representative reported that her delegation had received information from Indian Missions in 44 LDCs. As per the information received, during the previous 3 years (i.e. 2016, 2017 and 2018), a total of 48'602 LDC applicants had benefitted from the waiver of visa fees. The representative restated that India was the only Member who had offered a waiver of visa fees, a very significant and commercially meaningful concession. India, itself having a strong interest in mode 4, had realised that high visa fees were a real market access barrier. The Indian business community had been at the receiving end of high visa fees by some of its key trading partners. Having felt the pinch, India had especially wanted to ensure that LDC suppliers wanting to travel to India for business would not face that barrier.

2.91. With respect to India's offer on technical assistance and capacity-building, the representative stated that that preference had been effectively utilised by LDCs. Since the preference had been notified, approximately 50 per cent of more than 10'000 training slots of India's ITEC programme had been utilised by LDCs.

2.92. India also had taken a number of other novel initiatives in that regard. India had launched the e-VidyaBharti (Tele-education) and the e-ArogyaBharti (Tele-medicine) Projects (e-VBAB) on 7 October 2019. The tele-education portal would provide access for African students to more than 500 courses in various disciplines, including engineering and technology, education, mathematics and sciences, humanities and arts and teacher training. The portal would also offer 15'000 scholarships to Africans to pursue undergraduate and postgraduate courses from premier Indian public and private universities.

2.93. In addition, many of India's sectoral organizations, like the Institute of Chartered Accountants of India (ICAI), the Reserve Bank of India (RBI), the insurance regulator (IRDA), the National Bank for Agriculture and Rural Development (NABARD), had been undertaking efforts to provide priority to LDC participants in training and capacity-building efforts. India had not charged course fees from LDC applicants for most of those training programmes.

2.94. With respect to market access, India indicated that LDC services exports to India had more than doubled since the notification of India's preferences for LDC services and service suppliers. Also, while India had had a surplus in trade in services *vis-à-vis* LDCs during 2014-15, the position had reversed in 2018-19, with LDCs having a services trade surplus with India.

2.95. On suggestions for better utilization of the Waiver preferences by LDCs, India stated that some training and capacity-building programmes, especially designed for LDCs, in areas such as management consultancy services as part of India's notified preferences, could not be conducted due to inadequate response from the LDCs themselves. For instance, the Consultancy Development Centre (CDC), in collaboration with the Centre for WTO Studies (CWTOS), had launched 5 such capacity building programmes, two in 2015-16 and three in 2016-17. However, those programmes could not be conducted due to the low level of response which had not fulfilled the minimum participation requirement.

2.96. In view of that issue, India felt that it might be more useful if the LDCs could themselves identify areas in which capacity-building assistance was needed. India remained committed to positively considering requests from LDCs for any programmes targeting specific sectors and service

suppliers where there was a perceived requirement for training and capacity-building. In short, while India had several on-going schemes related to training and capacity-building for LDCs, it was keen to do more.

2.97. As concluding remarks, she emphasised that India had offered concessions both in trade in goods and services in the true letter and spirit of the development agenda of the Doha Round. India hoped that their offer in trade in goods, under the Duty-Free Tariff Preferences (DFTP) Scheme, and the LDC Services Waiver helped LDCs increase their share in world trade in goods as well as in services.

2.98. The representative of Australia thanked Uganda on behalf of the LDC Group and Secretariat for the organisation of the workshop and the formal dedicated session of the Council. She highlighted that it had been very useful to hear a broad range of views, from experts to notifying Members to, importantly, LDC service suppliers. Furthermore, it had been encouraging that so many Members had notified comprehensive preferences.

2.99. Australia's notification focused on preferences under GATS Article XVI, in accordance with the Waiver Decision, and responded to specific LDC requests in the areas of tourism, transport, ICT, professional services, other business services and services not included elsewhere, including specific preferences for contractual service suppliers.

2.100. Building on the significant progress under the Waiver, and as highlighted by a number of speakers at the workshop, she said that Members should focus on what could be done to help LDCs utilise market access opportunities and benefit fully from the preferences notified under the Waiver, including by addressing domestic capacity and supply-side constraints identified by the LDCs themselves. However, that was not to ignore the benefits of the Waiver as a key tool, and Australia encouraged Members who had not yet notified preferences to do so.

2.101. The representative of Australia emphasised that it was necessary to look beyond the Waiver: that would include considering how Members could complement market access opportunities with Aid for Trade and targeted development assistance programmes. In that respect, Australia noted that it regularly evaluated its activities to respond to requests from LDCs.

2.102. The speakers at the workshop and the LDC Collective Request had also identified a number of domestic regulatory issues, including in home countries. She noted that discussions in the open-ended JSI negotiations on services domestic regulation, e-commerce and investment facilitation were directly relevant, including by providing a framework to discuss best practices and assist LDC Members to address supply-side constraints. The domestic regulation open-ended discussions included a proposal for notifying Members to update their Waiver notifications to incorporate domestic regulation disciplines. Australia encouraged LDCs to engage in those discussions to shape and take advantage of proposals specifically addressing their concerns.

2.103. Australia mentioned that speakers at the workshop had also highlighted the need for further co-operation among the LDCs themselves, which could take various forms. In that regard, it was clear that data collection and analysis was a common problem among all Members. Australia also suggested exploring options for improving recognition in accordance with GATS Article VII and seeking further market access gains in areas of LDC interest pursuant to GATS Article XIX.

2.104. To conclude, Australia thanked the LDCs for the work they had undertaken, starting with the LDC Collective Request, which had been a very useful, ongoing reference that outlined LDC services interests not just in the context of the Waiver but for negotiations more broadly.

2.105. The representative of Turkey offered her delegation's sincere thanks to the LDC Group, the Secretariat, all the various speakers and participants for the very comprehensive and informative workshop held the previous day.

2.106. She wished to share information about the implementation of Turkey's Waiver notification. In its notification, Turkey had provided market access opportunities to LDCs in sectors that LDCs had indicated were of interest in their Collective Request, and, additionally, had provided preferential treatment on the movement of natural persons, as well as technical assistance and capacity-building.

2.107. With regard to the e-visa system, more than 200'000 LDC citizens had applied for, and had obtained, visas on-line since the issuance of Turkey's notification in 2015.

2.108. Another aspect in Turkey's notification were the scholarship programmes and education opportunities. Turkey believed that those could contribute to supporting human capacity development by facilitating working procedures and granting scholarships in Turkey, and could enhance the market access opportunities for LDCs.

2.109. The programme mechanism ensured equal opportunity and ease of access, as the application was free of charge and could be made through an on-line system, transparency in the selection process and no fixed country quotas for allocating the scholarships. The total number of grants provided to LDCs nationals through that system had reached 10'406.

2.110. Turkey was of the view that the Waiver was a good instrument to provide export opportunities in many fields to LDCs and encouraged Members who had not yet submitted notifications to do so, and aim to provide both market access opportunities as well as technical assistance and capacity-building prospects, in order to help LDCs benefit fully.

2.111. In addition to submitting a notification under the Waiver, Turkey also encouraged Members to engage in assistance projects that aimed to enhance the trading capacity and physical and human infrastructure of LDCs, as Turkey had presented at the workshop held the previous day.

2.112. She noted the strong relevance of the open-ended discussions on services domestic regulation to many issues that had been raised during the workshop. The importance of good regulatory practices was a valid point for all Members, since transparency and good regulatory practices relating to licensing and qualification requirements and technical standards played a crucial role in the effective advancement of both domestic and global trade in services. Turkey encouraged LDCs to consider participating in the Joint Initiative and to look at the disciplines as a small but useful tool to develop a trade-friendly enabling environment.

2.113. In the open-ended discussions on services domestic regulation, it was proposed that LDCs be only encouraged to apply the disciplines upon their graduation. The text of the disciplines also aimed to provide for technical assistance and capacity-building to strengthen the regulatory capacity-building of LDCs, and also included a proposal for Members to apply domestic regulation disciplines to any of the preferences granted to LDCs.

2.114. The representative of the Republic of Korea expressed his delegation's appreciation to the LDC group and the Secretariat for organising an extremely helpful and productive workshop. The workshop had underlined the importance of the service sector in ushering in the growth potential for LDCs. Many panellists, from academia, business and government agencies, had offered comprehensive presentations of sector-by-sector analysis based on their experience in the field.

2.115. The workshop had shed light upon the significance of nurturing the capacity of exporting countries, and LDCs in that case, so that they could enjoy the full benefits of Waiver. In that sense, priority should now be placed also on the supply-side, including to assist with access to finance, cross-border payment management, FDI and trade promotion strategies. All of those priorities should be addressed in a more holistic manner, and supply and demand should go in hand-in-hand.

2.116. With respect to the Waiver, Korea had notified preferential treatment which had entered into effect in 2015. To elaborate, Korea had put forth preferential treatment covering, amongst others, additional mode 4 market access to contractual services providers in 10 areas, including instalment of industrial equipment or machines, consultancy services and professional engineering services, which reflected the interests set out in the LDC Collective Request. Sector-specific preferential treatment had also been granted in areas such as business services (rental/leasing, placement services of personnel); distribution services; tourism and travel-related services; recreational, cultural and sporting services; transport services; and maritime auxiliary services, a newly added sector.

2.117. Since Korea had not been able to track services trade based on LDC-disaggregated data, it had used instead import statistics grouped together as "others", which provided for a metric of performance, albeit limited, of the operation of the Waiver. According to that data, in 2015 import

of transportation services had remained at US\$ 2.9 billion, before increasing to US\$ 3.2 billion in 2017 and US\$ 3.6 billion in 2018. That was not surprising given that transportation services had been the area where preferences had been granted only to LDCs. At the same time, Korea's transportation services imports had seen an overall decrease from most developed countries during that timeframe. In addition, consulting services had also increased, from US\$ 2.9 billion in 2015 to US\$ 3.04 billion in 2018.

2.118. While it was not certain whether those numbers purely stemmed from the Waiver preferences, since country-by-country figures were not available, Korea had still been able to note that the overall trend had been moving upwards in terms of services imports from LDCs in sectors where preferential treatment had been offered. His delegation had found it very challenging to locate not only statistics for LDCs but also LDC service providers pertinent to the preferential treatment granted. Therefore, Korea had not been able to conduct a qualitative analysis of whether the Waiver preferences had been made best use of by those concerned.

2.119. Moving forward, Korea wished to make three suggestions. First, data collection with regard to services trade should be improved, to include country-specific and sector-specific figures for LDCs. Second, both LDCs and their firms were encouraged to voice their interests and concerns to the relevant agencies of notifying Members, so that Members could obtain a more complete picture that went beyond just the numbers. Third, domestic regulation was important in the services industry; in that sense, Korea encouraged all Members, including LDCs, to take part in the discussions under the relevant Joint Statement Initiative.

2.120. The representative of European Union thanked the LDC Group and the Secretariat for organising that dedicated session of the Council and the workshop held the previous day, which had provided extremely useful insights and sharing of experiences, success stories as well as challenges that LDC suppliers were facing when trying to increase their participation in services trade and utilising the Waiver preferences.

2.121. She also thanked the LDCs for all the efforts undertaken until then, notably the Collective Request of 2015. In response to the LDC Collective Request, the European Union had made a comprehensive notification in 2015 that covered substantive preferences in all modes of supply and group of sectors that had been identified in the Collective Request, both for market access and national treatment, covering more than 155 services sectors.

2.122. Like others, she also encouraged those Members who had not yet notified preferences to do so. But above all, the European Union believed that it was extremely useful to continue the discussion on how LDCs could better utilise the preferences already notified and to learn from the experience until then. As had also emerged from the various interventions and the workshop, Members also needed to look beyond unilateral trade preferences to address the impediments the LDCs continued to face to participate in services trade and increase their services exports.

2.123. The 2019 World Trade Report stated that it remained a challenge for LDCs to diversify services exports and to integrate into global services trade and that was, among other things, due to infrastructural constraints, educational and skills gap, lack of financial resources, and the digital gap. The workshop had also underlined the importance of tailoring Aid for Trade and development instruments to support the LDCs and services trade specifically. The European Union and its Member States remained the leading Aid for Trade donor, accounting for one third of global Aid for Trade spending, amounting to EUR 14.5 billion in 2017. Notably, since 2014 that had also included specific portfolios of commitments targeting services, and for the European Union it remained important in the future to further respond to needs in the area of services in that respect.

2.124. Another key issue that had already been mentioned, and had also emerged very clearly from the workshop, was the importance of domestic regulatory issues and environment for LDCs. The LDC Collective Request had already identified a number of domestic regulatory issues. There were three on-going initiatives in the WTO, on domestic regulation, investment facilitation and e-commerce, that were directly relevant for LDCs but where LDCs remained underrepresented, which made it more difficult to assess their needs in those initiatives. Therefore, the European Union would very much encourage LDCs to participate in those discussions. She underlined that the European Union attached great importance to those initiatives being transparent and open to all WTO

Members. Understanding better the kind of needs and positions of LDCs in that context would be extremely useful.

2.125. The European Union remained committed to continuing the discussion, in view of a more efficient utilization of the preferences notified under the Waiver and seeing on how to increase overall LDC participation in services trade. In that respect, going forward it would be helpful to hear continuously from LDCs about their experiences and future needs, including for technical assistance and capacity-building.

2.126. The representative of United States thanked the LDCs, the WTO Secretariat, as well as the Chairman for organizing a very solid workshop the previous day. As the Geneva delegate at the time, he had been involved since the beginning in the Waiver discussions that had led to the creation of the Waiver. At that time, his delegation had said that Members were sailing into uncharted waters with the Waiver; Members had some experience of waivers in the context of goods, but not in services. In that regard, he had found the workshop extremely useful to help Members better understand the challenges faced by LDC service suppliers, now that delegations had some years of experience with the Waiver.

2.127. At the workshop, the United States had shared some of its technical assistance and capacity-building efforts to support the development of LDC service suppliers and the tools that were necessary to expand in services areas, such as skills and IT. That was just the tip of the iceberg; there were a number of other efforts that the United States could have highlighted in that regard.

2.128. The workshop had demonstrated that the issue of LDC services exports did require a holistic approach, and that approach was what was needed to further LDC services exports. In that regard, he echoed what Zambia had said about the Waiver being a tool. It was complementary to other efforts to help LDCs, as the workshop had illustrated when discussing domestic regulatory constraints, supply-side constraints, including for telecom infrastructure. His delegation would take back the wealth of information that had been shared the previous day through the very useful workshop. He had been particularly struck by the need for better statistics and data and that was something his delegation would also be reflecting upon. The United States looked forward to continuing to work with the LDCs and other WTO Members to keep advancing that issue.

2.129. The representative of Japan welcomed the intensive discussions held during the workshop and at that dedicated CTS formal meeting on the Waiver to further integrate LDC Members into global trade in services.

2.130. She highlighted that, during the workshop, Japan had introduced its support programmes in the ICT/digital innovation area in Africa, including an ICT project in Rwanda, as an example of the engagement by Japan to increase the export capacity of LDC in trade in services. Japan would continue to contribute, to facilitate the integration of LDC Members into global trade in services. At the same time, Japan emphasised that it was important to capture the reality of the domestic constraints faced by LDC service exporters through the provision of updated information, so that Members' contributions could address the real problems they faced.

2.131. The representative of Canada thanked the LDC Group for their efforts and participation in the workshop, that dedicated session, and ongoing interventions related to the importance of trade in services for LDCs' economic growth. Canada also acknowledged the key role of the Secretariat in that event.

2.132. The representative stated that the workshop had offered valuable insights into the current state of LDC services trade, particularly the experiences of LDC service suppliers, and where key opportunities and challenges existed for those suppliers. Many of the presentations had had a similar theme, in that supply-side constraints and the ability to simply "do business" might affect the ability of LDC service suppliers to capitalize on the notified preferences. Canada had identified the latter as significant barriers.

2.133. It had been demonstrated that a sound regulatory framework could play an essential role in facilitating trade in services domestically and internationally. Therefore, Canada joined other Members in encouraging LDCs to participate in the JSI on domestic regulation. That initiative offered a concrete opportunity to engage in a discussion on best practices related to domestic regulatory

frameworks. While it was important for Members to consider ways to facilitate services trade for LDCs beyond the Waiver, Canada also acknowledged LDCs' interest in further market access opportunities. As a notifying Member, Canada echoed other Members' sentiment in encouraging those Members who had not yet notified preferences to do so.

2.134. She also said that, as had been mentioned during the workshop, LDC services trade was predominantly a regional activity. The workshop sessions had left much to consider in terms of how a country like Canada, which was not geographically close to most LDCs, could engage meaningfully on that topic.

2.135. To that end, Canada considered those discussions as being instrumental in informing how to construct programming related to services, and contemplated ways to better enable services trade with and between LDCs more broadly. She emphasised that the experiences, successes, and challenges that had been shared by the LDCs at the workshop and that dedicated meeting would assist Members going forward as they considered ways to further the integration of LDCs into global services trade.

2.136. That was why LDC-specific and sector-specific data would be very useful, to further inform potential programming. Canada acknowledged that that data gap figured into broader data gaps across services trade, as had been mentioned during the workshop by multiple presenters, including by the Secretariat. Any work the Secretariat was considering on that issue, including in collaboration with relevant international organizations, was likely to be viewed favourably by Canada.

2.137. The representative of Mexico thanked the LDC Group and the Secretariat for organising the workshop and the speakers for their presentations, which had been very useful in allowing Members to understand the various issues faced by LDC when it came to international trade in services. The interventions by LDC Members at that meeting had also been very useful to enable Members to have a fuller understanding the problems that LDC suppliers were facing beyond just market access. A lot of those issues were in fact linked to regulatory matters, and numerous references had also been made to mode 4.

2.138. Like other Members who had intervened previously, Mexico had also notified preferences in favour of LDCs. The preferences it had granted sought to provide the best FTA treatment that Mexico had ever offered. The Waiver offered a legal tool to provide certainty for that best FTA treatment granted to LDC Members. Her delegation was aware there was still a long way to go and that a lot of effort and work would need to be carried out to ensure that those preferences became a reality. That was the reason why Mexico stood ready to continue discussing, looking at different needs and tools that were required to make sure that LDCs could make effective use of the preferences to increase their participation in international trade in services.

2.139. The representative of New Zealand thanked all those involved in organising the excellent workshop held the previous day and that day's dedicated meeting. New Zealand was pleased to be among those Members who had notified services preference in favour of LDCs under the Waiver, but, as various speakers had indicated, it also acknowledged that more needed to be done beyond those preferences.

2.140. In that vein, he wished to very briefly outline 3 examples of activities New Zealand was currently involved in with LDCs that were directly aimed at promoting services trade, as a contribution to the conversation.

2.141. The first example was a tourism support programme New Zealand was currently providing to Lao PDR. It aimed to strengthen Lao PDR's tourism sector, through the inclusion of private sector participation and tourism services, by developing and promoting links between local handicraft service providers and tourism site operators, and through them to tourists, and to offer assistance and services in tourism design management and decision-making, including capacity-building in those fields for central and local government officials.

2.142. Continuing the tourism theme, New Zealand was currently also engaged in a Pacific Tourism Data Initiative with Niue, Samoa, the Solomon Islands and Vanuatu. The initiative would develop and implement cost-effective international visitor surveys and business confidence index surveys in

those Pacific Island countries. The surveys would provide insights into industry performance and impacts.

2.143. Finally, and moving away from the tourism sector, another programme that New Zealand was involved in was the Business Link Pacific with Fiji, Papua New Guinea, Vanuatu and Samoa. It supported local business advisory service providers to improve the quality and accessibility of their services to SMEs. Currently, within those markets, business advisory services were generally provided domestically, but the aim was to create a regional network that would enable Pacific SMEs and business advisory service providers to connect within the wider Pacific region. The portal that would enable that was scheduled to have launched a couple of weeks earlier.

2.144. Finally, he joined other Members in noting New Zealand's support for the domestic regulation and e-commerce JSIs and in encouraging LDCs to participate in the same. From New Zealand's perspective, the participation and views of LDCs in enunciating their needs and interests within those processes would be invaluable.

2.145. The representative of Uganda reported that the contribution of services to Uganda's GDP stood at 59% in 2017, up from 54.7% in 2008. The main contributors to the strong growth of the services sector had been tourism, distribution services and transport services. Uganda had maintained a negative trade balance for the previous five years (2014-2018) and commercial and travel were the key export services.

2.146. All Members were aware that services data collection was a daunting task. Uganda had experienced challenges in data collection related lack of disaggregated data; difficulties in integrating data from various sources to avoid duplication; inconsistency of data; and the fact that using different sources of data created variance with regard to accuracy, frequency, coverage, relevance and processing of data. Furthermore, persons and households' surveys, and in particular border and labour force surveys, constituted a major source for the production of mode 2 statistics. However, in the case of Uganda, such surveys had not been carried out often.

2.147. She noted that the tourism, ICT, and education sectors had significant export potential for Uganda, and she appreciated Members that had notified preferences in those sectors. Nonetheless, she observed those preferences were limited, with the exception of IT professional services. Uganda's Trade Ministry's engagements with private sector players had revealed continued difficulties like those recorded in the LDC Collective Request, as followed.

2.148. IT professionals, both Independent Professionals and Contractual services suppliers, often needed to provide services to their clients but were constrained by the hurdles in visa/temporary permits acquisition processes. In some countries, there were local presence requirements that had hindered Uganda's services exports. Furthermore, attaining ISO certifications on quality management and information security were an expensive and very tedious process for Information Technology Enhanced Services companies from Uganda.

2.149. In the tourism sector, the denial of visas to select tourism destinations continued to be a big challenge, as it denied Uganda's suppliers the opportunity to reach potential clients, especially during tourism trade shows/galas. Suppliers in that area had also stressed the problem of middle men, especially in European destinations, who had prevented them from direct access to the European market.

2.150. The representative highlighted that Uganda had made, and would continue to make, efforts to address some of those challenges. In the National Policy on Services Trade, Uganda aimed to improve export market access by developing strategies for Ugandan services and services suppliers to take advantage of the Waiver. According to the regulatory impact assessment, more Ugandan services were exported to regional markets, i.e. Kenya, Tanzania, South Sudan, Rwanda, Burundi, South Africa, Botswana, Zambia and Malawi.

2.151. Furthermore, the Strategic Implementation Plan 2017-2022 included various activities, such as analysing preferences notified to generate preference analysis reports as well as conducting studies for detailed market opportunities in preferential markets, sensitization of the business community on opportunities and how to take advantage of the Waiver, as well as conducting capacity

assessments of domestic services suppliers to generate capacity assessment reports, including competitiveness assessments.

2.152. Regarding linkages with the National Development Plan (NDP), the NDP 2010/11-2014/15 had been developed with the overall goal to accelerate economic growth and reduce poverty. The NDP II 2015/16 -2019/20 had recognized the role of selected service sectors in fostering socio-economic development, including tourism, health, financial services (banking and insurance), information technology enhanced services (ITES), creative industries and education services as key drivers for development.

2.153. In addition, the NDP II had prioritized tourism as one of the five key growth sectors for Uganda. Consequently, Uganda's Government had committed to providing the necessary infrastructure for tourism development. As part of the overall governmental framework to expand access and use of ICT for development, NDP II had recognized the importance of expanding the national backbone infrastructure to consolidate e-Government services and applications for the efficiency of services.

2.154. The Government of Uganda remained committed to investment in ICT research, innovation and human capital development. Furthermore, the NDP II envisaged the use of e-commerce platforms development for a research and innovation programme and the operationalization of an innovation services fund.

2.155. Uganda continued to undertake efforts nationally and regionally, both of a technical and policy nature, to support its suppliers' increased participation in global services trade. With the assistance of EIF, Uganda had implemented a Tier 2 project on District Commercial Services Support project (DICOSS) 2012-17. The project, funded by the EIF, had supported 25 districts to implement and support commercial services at the grass root level. The focus had been mainly on the private sector, with 1'680 business enterprises trained, 492 businesses included into the formal economy, 747 new produce cooperatives registered, and a 27% increase in budget allocation in district budgets to support small businesses.

2.156. In addition, Uganda, through the Trade Ministry, had also developed a Simplified Manual for the private sector, highlighting the opportunities available under each of the Waiver notifications made.

2.157. On the side lines of Uganda's Trade Policy Review in March 2019, Capital officials had engaged with some Members with a view to sharing practical ways of ensuring benefits from the Waiver. Some of the Members had emphasized the necessity for engagement with ITC for targeted support. Through ITC, with financial support from CBI-Netherlands, Uganda had been providing funding for ITES firms through the NTF-IV project: 30 companies had been profiled, had a directory and were to be provided with business and marketing skills. There had been ongoing matchmaking efforts to secure contracts for those firms and Uganda was happy to share that, up to that point, 3 had been able to get contracts in African and Asian markets.

2.158. She concluded by underlining some of the ways in which Members could work together to facilitate Uganda's effective participation in services trade. Uganda called upon Members to support implementation of the National Policy on Services Trade and Plan with particular focus on value-added production, investment in relevant infrastructure, and improvement of export capacities of the private sector and support institutions. She also called upon Members to engage with Uganda in bilateral arrangements to follow-up on the meaningful economic gains from the Waiver. The Waiver needed to be operationalized further through such bilateral and private sector engagements with preference-granting Members.

2.159. She also highlighted that, as mentioned at the workshop, Members should aim at Aid for Trade initiatives that were geared towards services, specifically supporting LDC services and service suppliers. Those would provide meaningful tailored capacity development for the services industry and the development of bankable proposals to enhance the capacity of potential export sectors.

2.160. Members should continue to explore opportunities for benchmarking and experience-sharing from LDCs that had benefitted from the Waiver. Members should work with Uganda in the organization of a series of multi-stakeholder dialogues at the national and regional levels to enhance

the awareness, understanding and benefits of the preferences. Members should also support private sector professional enterprises to establish commercial presence in target markets through joint-venturing and providing exchange platforms with counterparts in the export markets.

2.161. Finally, Uganda stressed the importance of technical assistance to build domestic capacity for the collection, analysis and dissemination of data on trade in services.

2.162. Speaking on behalf of the LDC Group, the representative of Uganda thanked notifying Members, all Members and the Secretariat for making that very significant milestone regarding the Waiver, in the form of the first review of the operation of the preferences notified under the Waiver envisaged in the relevant Ministerial Decision.

2.163. The representative expressed special thanks to Members for their very active participation, which showed their commitment to that very important issue for the LDC Group. Members had had rich and awakening presentations at the workshop from various speakers, including LDC suppliers. The CTS formal session had also provided an opportunity to get a clearer picture about LDC services statistics and challenges with data in that regard. The LDC Group had also noted the very useful ideas shared by the Secretariat on some of the ways they could engage collaboratively to address the huge statistical gap.

2.164. Members had also heard from notifying Members on what they were doing with respect to the Waiver, and with respect to services generally in LDCs, to ensure benefits from the notified preferences. Members could do more, and the LDC Group trusted that the dedicated session had given Members something to think about.

2.165. The representative of Lesotho, as one of the LCD Members, extended its support to the intervention made the Ambassador of Togo on behalf of the Ambassador of Uganda in his opening intervention at the LDC workshop, which had taken Members through the LDC Group's journey to the first review of the Waiver.

2.166. He highlighted that LDCs were clearly becoming active in services trade, both in exports and imports. This was important for the economy overall, diversification, employment and industrial development. In fact, services had grown as a percentage of LDCs' GDP, and the services share in Lesotho's GDP had also increased between 2005 to 2017.

2.167. According to WTO statistics, distribution services were Lesotho's most important service exports to the EU, accounting for 60.3%, followed by tourism services at 24.8 %, which showed that indeed Lesotho was moving in the right direction. Lesotho also exported financial services, other business services, telecommunications, computer and audiovisual services, professional services, transport, education, and rental and leasing services, amongst others.

2.168. The representative thanked the relevant organisations present at the workshop for having indicated what more they could do to improve LDC access to data. Lesotho exhorted the WTO Secretariat to continue to help Lesotho with more data on the destinations of its exports, especially where the destinations were notifying Members. Lesotho thanked notifying Members and expressed the hope that more awareness-building would be done with LDC exporters and consumers in notifying Members with respect to the Waiver preferences.

2.169. He also echoed previous speakers and encouraged Members to add more preferences, thereby removing procedural and regulatory barriers to Lesotho's suppliers accessing foreign services markets.

2.170. In his concluding remarks, the Chairman thanked the LDC Group, all Members and the Secretariat for an interesting and useful dedicated session, as had been acknowledged by all delegations who had intervened. Both the workshop and the dedicated Council meeting had been rich and helpful. Much information had been shared and many experiences had been presented. Some delegations had been able to draw conclusions, whereas others would continue reflecting on the lessons learnt.

2.171. He noted that there were clearly gaps in data collection and reporting, which prevented a quantitative assessment of the operation of the Waiver preferences. While those deficiencies were

not going to be resolved quickly, possible avenues to address them over the next few years had been mentioned during the meeting.

2.172. Delegations might not all share the same, identical assessment of the operation of the Waiver preferences. However, one element on which all delegations had concurred was that, given the nature of services trade, a systematic, structured evaluation of the benefits resulting from the preferences was likely to remain challenging for some time to come, although practical, on the ground information and experiences might provide useful pointers. At any rate, the dedicated session was only one element in the process to review the operation of the Waiver. The Council would continue to address that issue as part of its discussions on the Operationalisation of the LDC Waiver, which was a standing item on its agenda. Finally, he underscored that increasing the participation of LDCs in world services trade would remain an important and shared objective of all Members.

2.173. The Chairman suggested that the Council take note of the statements made.

2.174. It was so agreed.

3 ITEM C: OTHER BUSINESS

3.1. No issue was raised under this agenda item.

3.2. The meeting was adjourned.
