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**Ministerial Conference
Ninth Session
Bali, 3-6 December 2013**

**OPERATIONALIZATION OF THE WAIVER CONCERNING PREFERENTIAL TREATMENT TO
SERVICES AND SERVICE SUPPLIERS OF LEAST-DEVELOPED COUNTRIES**

MINISTERIAL DECISION OF 7 DECEMBER 2013

The Ministerial Conference,

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

Recognizing that services trade can play an important role in achieving the development objectives of LDCs;

Recalling that the WTO Agreement acknowledges the need for "positive efforts designed to ensure that developing countries, especially the least developed among them, secure a share in the growth in international trade commensurate with the needs of their economic development";

Reaffirming that the waiver Decision ("Preferential Treatment to Services and Service Suppliers of Least-Developed Countries", Decision of 17 December 2011, WT/L/847) taken by Members constitutes an important positive effort to help increase the participation of LDCs in world services trade;

Recognizing also the need to strengthen the domestic service capacity in LDCs with a view to making use of existing opportunities as well as any preferences afforded to them;

Noting that no WTO Member has yet made use of the waiver since its adoption in 2011;

Decides as follows:

1.1. The Council for Trade in Services is instructed to initiate a process aimed at promoting the expeditious and effective operationalization of the LDC services waiver. The Council for Trade in Services shall periodically review the operationalization of the waiver. The Council for Trade in Services may make recommendations on steps that could be taken towards enhancing the operationalization of the waiver.

1.2. With a view to accelerating the process of securing meaningful preferences for LDCs' services and service suppliers, the Council for Trade in Services shall convene a High-level meeting six months after the submission of an LDC collective request identifying the sectors and modes of supply of particular export interest to them. At that meeting, developed and developing Members, in a position to do so, shall indicate sectors and modes of supply where they intend to provide preferential treatment to LDC services and service suppliers.

1.3. Members, in their individual capacities, are encouraged at any time to extend preferences to LDCs' services and service suppliers, consistent with the waiver Decision, which have commercial value and promote economic benefits to LDCs. These preferences may accord, *inter alia*, improved market access, including through the elimination of economic needs tests and other quantitative limitations. In doing so a Member may accord preferences similar to those arising from preferential

trade agreements to which it is a party noting that preferential treatment, with respect to the application of measures other than those described in Article XVI of GATS, may be granted subject to approval by the Council for Trade in Services under paragraph 1 of the waiver Decision.

1.4. Members underline the need for enhanced technical assistance and capacity building to help LDCs benefit from the operationalization of the waiver. Special focus should 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. In this context, the LDCs are invited to include their services related needs in their respective national development strategies and in their dialogues with development partners. Members urge development partners to respond adequately to such needs.
