

STATEMENT MADE BY THE LDC COORDINATOR AT THE INFORMAL MEETING OF THE SESSION OF THE CTS ON 26 JANUARY 2010

I would like to thank you **Mr. Chairman** for convening this informal Special Session of the Council for Trade in Services to discuss the implementation of LDC modalities.

May I also take this opportunity to express, on behalf of the LDCs and indeed on my own behalf, sincere gratitude to Her Excellency Ms Bente Angell - Hansen of Norway and her delegation for taking leadership in assisting the LDC group to advance discussions on modalities for the special treatment of LDCs with a view to establishing an appropriate instrument for according special treatment to services sectors and services suppliers of LDCs.

As highlighted in the comprehensive introductory statement made by Norway, the discussions of the small group have resulted into the Draft Waiver, tabled before you today, whose preambular and operative paragraphs have been adequately introduced.

Mr. Chairman, allow me to highlight key motivational issues behind the request for the special treatment of LDCs, which Members should bear in mind as they reflect on the contents of the proposed draft waiver before them:

First and foremost, the need to enhance LDCs participation in global trade in general and trade in services in particular goes beyond economic consideration. The LDC group is composed of countries, whose vast majority of people live below the poverty datum line, with limited or no access to basic services. It is disheartening to note that despite the recognition of the pivotal role trade in services can play in lifting millions out of poverty, the share of LDCs trade in commercial services amounted to less than half a percentage point (at 0.4%) in 2006.

Secondly, the LDC group believes that motivated promotion of LDCs services and services suppliers through the creation of an enabling environment [as envisaged under this proposed waiver] can contribute towards achieving socio- economic development objectives aimed at reducing poverty, upgrading welfare, improving universal availability and access to basic services, and in ensuring sustainable development.

Thirdly, the Group believes that the creation of an enabling environment through adoption of a waiver as part of 'early harvest' would not only facilitate effective access of LDCs' services and service suppliers to developed country markets and to markets of developing countries in a position to do so, at the time of concluding this Round, but would also act as an important catalyst for investment promotion. An early harvest on the form of a waiver decision would be in line with the mandate given to us by our Ministers during sixth Ministerial Conference to 'expeditiously' develop appropriate mechanisms for according special priority to services and modes of supply interest to LDCs and the Chairman's element paper of July 2008, which outlines the need to complete negotiations on the waiver before the revised offers are submitted.

Fourthly, the decision to go along with the proposal for a waiver is a great concession made by the Group from the initial position presented before the membership in this house.

Last but not least, I would like to state that the LDC group has undertaken to define elements of the draft waiver with the aim of creating an enabling environment that is stable and predictable. An environment that facilitates export trade, in a transparent and inclusive manner for all LDCs, with an in-built transparency mechanism and within a timeframe that would assist individual LDCs develop the necessary capacities to increase their participation in world trade as envisaged under GATS.

The LDC Group is confident that this meeting will build on the political momentum and the progress thus far made by engaging positively with a view to adopting the draft waiver expeditiously.

I thank you.