

International Conference on **Upcoming Ninth WTO Ministerial: Securing the LDCs Deliverables** *Dhaka, Bangladesh; 25-27 October 2013*

Inaugural Plenary **Bali Ministerial: The State of Play**

25 October 2013

Message from Ambassador Steffen Smidt

Facilitator for LDC issues for Bali Ministerial Conference

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First, I would like to sincerely thank the organizers for inviting me to be part of this distinguished

gathering. I would have very much liked to participate in this important event. Unfortunately, the

demands of the negotiations are such that I have been asked to stay on in Geneva, not least in view

of sessions of Trade Negotiations Committee today and possibly over the weekend. Despite my best

intentions, I could not make it to Dhaka today.

As you are probably aware, I am responsible for the LDC file in the WTO. As Chairman of the Sub-

Committee on LDCs, I look after issues of systemic interest to the LDC Group within the multilateral

trading system. In addition to this role, I was appointed Facilitator for LDC Bali issues in March, a role

that I humbly accepted in order to help the WTO DG to advance the cause of LDCs in the run up to

the Ninth Ministerial Conference this December.

The LDCs are an important constituency in the WTO; LDCs account for over a fifth of the WTO

Membership. In general, there are three broad areas where LDCs receive special treatment in the

WTO: enhanced market access, flexibility with regard to undertaking commitments and

implementing rules, and targeted technical assistance. Since the launch of the DDA in 2001, concrete

benefits have accrued to the LDCs across all three fronts.

As you all are aware, Members are working on some deliverables for Bali in the areas of agriculture,

trade facilitation and development.

Immediately after the LDCs submitted a package of proposals for Bali in May, I began consultations

with interested delegations. I am happy to report that these talks have already born fruit in two

areas, with agreements for Bali nearly finalised.

The first of these two areas is a set of multilateral guidelines for the rules of origin requirements that

Members apply to their non-reciprocal preference schemes for LDCs. For the first time, governments

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will have a set of multilaterally agreed guidelines, which should help make it easier for LDC exports to qualify for preferential market access both to developed and developing country markets.

The second is a decision on the operationalization of the LDC services waiver that WTO Members adopted at the last Ministerial Conference, in 2011. The adoption of the waiver itself was a significant development, as it allows Members to grant preferential market access to LDC services and service suppliers. Members have now agreed that once the LDCs table a collective request identifying their sectors and modes of supply of export interest to them, they will hold a high-level meeting at which they will indicate where they intend to provide preferential market access to LDC services suppliers. I hope this decision, when adopted, will further make a contribution towards enhancing the participation of LDCs in world services trade.

The two remaining areas mentioned by the LDCs for Bali are duty-free quota-free market access for LDC exports, and cotton.

As you know, most developed Members already grant DFQF access in line with the Hong Kong Ministerial Decision. There are still scope for improvements in certain markets. That said, full implementation of Hong Kong DFQF Decision involves some delicate negotiations. We have had rounds of consultations on this issue already. We will pick this file up again shortly to see whether a solution is achievable by Bali that would advance the implementation of the Hong Kong DFQF decision while taking into account the different concerns of the countries involved. Let me also add that cotton will be dealt with in more detail once its proponents, four LDCs in West Africa, table a specific proposal.

I in my role as the Facilitator am fully committed to ensuring a meaningful outcome for LDCs at Bali.

Again, please let me convey my regrets for not having been able to be with you today.

I wish the Conference every success.