



WORLD TRADE
ORGANIZATION

**MINISTERIAL CONFERENCE
TENTH SESSION**

NAIROBI, 15-19 DECEMBER 2015

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**Ministerial Conference
Tenth Session
Nairobi, 15-18 December 2015**

NAIROBI MINISTERIAL DECLARATION

ADOPTED ON 19 DECEMBER 2015

PART I

Preamble

1. We, the Ministers, have met in Nairobi, Kenya, from 15 to 18 December 2015 at our Tenth Session. As we conclude our Session, we would like to express our deep appreciation to the Government and people of Kenya for the exceptional organization and the warm hospitality we have received in Nairobi.
2. We note that our Tenth Session takes place as we mark the twentieth anniversary since the establishment of the WTO. On this occasion, we underline the crucial importance of the multilateral rules-based trading system and reaffirm the principles and objectives set out in the Marrakesh Agreement Establishing the World Trade Organization.
3. We reaffirm the pre-eminence of the WTO as the global forum for trade rules setting and governance. We acknowledge the contribution that the rules-based multilateral trading system has made to the strength and stability of the global economy. We reaffirm the value of our consistent practice of taking decisions through a transparent, inclusive, consensus-based, Member-driven process.
4. We note with concern the slow and uneven recovery from the severe economic and financial crisis of 2008, resulting in lower global economic growth, depressed agricultural and other commodity prices, raising inequalities, unemployment and significantly slower expansion of international trade in recent years. We acknowledge that international trade can play a role towards achieving sustainable, robust and balanced growth for all.
5. We pledge to strengthen the multilateral trading system so that it provides a strong impetus to inclusive prosperity and welfare for all Members and responds to the specific development needs of developing country Members, in particular the least-developed country Members.
6. We acknowledge that international trade can play a major role in the promotion of economic development and the alleviation of poverty. We recognize the need for all our peoples to benefit from the increased opportunities and welfare gains that the multilateral trading system generates. The majority of WTO Members are developing country Members. We seek to place their needs and interests at the centre of the work in the WTO.
7. We reaffirm the centrality of development in the WTO's work and commit to continuing to make positive efforts designed to ensure that developing country Members, and especially the least-developed country Members, secure a share in the growth of world trade commensurate with the needs of their economic development.
8. We recognize the role the WTO can play in contributing towards achievement of the 2030 Sustainable Development Goals, in so far as they relate to the WTO mandate, and bearing in mind the authority of the WTO Ministerial Conference.

9. We recognize the importance of strengthened coherence in global economic policy-making. We underscore the Marrakesh coherence mandate, and encourage initiatives for cooperation with other international organizations in pursuit of our common objectives, while respecting the competence of each organization.

WTO's twentieth anniversary – achievements and challenges

10. On the occasion of the WTO's twentieth anniversary, we acknowledge important achievements under the functions of the Organization described in Article III of the Marrakesh Agreement.

11. We reaffirm the importance of work in regular bodies in furthering the objectives of the WTO Agreements and in facilitating meaningful exchange of information and sharing of experiences regarding the effective implementation and operation of their provisions. We note that the WTO's trade monitoring work, including trade policy reviews, has contributed consistently to the functioning of the multilateral trading system, by achieving greater transparency in, and understanding of, the trade policies and practices of Members.

12. We reiterate that the WTO shall remain the main forum to negotiate multilateral trade rules. We have made some progress in the negotiations. At our Fourth Session, we launched for the first time in the history of the GATT and the WTO, a Development Round; the Doha Work Programme. We recall the adoption of the Protocol Amending the TRIPS Agreement. We draw particular attention to the adoption of the Agreement on Trade Facilitation (TFA) as the first multilateral agreement since the establishment of the WTO. We commend those Members that have already accepted the respective Protocols and look forward to additional acceptances. We welcome the Decisions and the Declaration listed in Parts I and II of the Bali Ministerial Declaration, and the subsequent General Council Decision of November 2014 on Public Stockholding for Food Security Purposes. We note, however, that much less progress has been made in Agriculture and other central components of the WTO's negotiating agenda, namely NAMA, Services, Rules and Development.

13. We note that the Dispute Settlement Understanding (DSU) continues to offer a means for the settlement of disputes among Members that is unique in international agreements. The system has dealt with a large and growing number of disputes, demonstrating Members' continuing confidence in it. We recognize that the increasing number and growing complexity of disputes present challenges to the system. We therefore commit to pursue and renew efforts to address current challenges and to further strengthen the system, including through effective implementation of the rulings and recommendations of the Dispute Settlement Body (DSB).

14. We recall the commitments made by Ministers at all of our previous sessions, as well as by the international community at the Fourth UN Conference on Least-Developed Countries (LDCs) in Istanbul, to assist LDCs secure beneficial and meaningful integration into the multilateral trading system and the global economy. We recognize that LDCs remain vulnerable and continue to face structural difficulties in the global economy. We underscore the continued importance of initiatives aimed at fully and meaningfully integrating LDCs into the multilateral trading system in a more effective manner.

15. We recognize the contribution of the Enhanced Integrated Framework (EIF) in mainstreaming trade in development policies of LDCs and building their trade capacity. This significant role in helping LDCs achieve their development objectives is duly recognized by the 2030 Agenda for Sustainable Development. We are determined to further intensify our efforts to secure the necessary level of financial contributions to the program with the view to enabling the delivery of predictable trade-related support to LDCs, based on the programme needs as set out in the EIF Phase Two Programme Framework.

16. We recognize the importance of the Aid for Trade initiative in supporting developing country Members to build supply-side capacity and trade-related infrastructure and we shall accord priority to the LDCs' needs. We take note of the outcomes of the WTO global reviews on Aid for Trade, in particular the Fifth Global Review, and recognize the continuing need for this initiative.

17. We note the substantial progress in WTO's technical assistance and capacity building, which focus on the needs and priorities of beneficiary Members. We recognize that dedicated facilities such as the Standards and Trade Development Facility and the Trade Facilitation Agreement Facility are making an important contribution towards assisting developing country Members and LDCs to implement relevant WTO agreements. We also reiterate the importance of targeted and sustainable financial, technical, and capacity building assistance programmes to support the developing country Members, in particular LDCs, to implement their agreements, to adjust to the reform process, and to benefit from opportunities presented.

18. We celebrate the enlargement of the Organization by accessions in accordance with Article XII of the Marrakesh Agreement. We note that the accessions of the Republic of Yemen, the Republic of Seychelles and the Republic of Kazakhstan to the WTO have been completed since our last Session. In particular, we note with satisfaction that this Conference has completed the accession procedures for two least-developed countries, the Republic of Liberia and the Islamic Republic of Afghanistan. We recognize the extensive commitments and the contribution of the Article XII Members resulting from their accessions to the strengthening of the multilateral trading system. We will work jointly on the expeditious completion of current accessions. We remain committed to efforts to facilitate accessions and provide technical assistance to acceding countries, including in the post-accession phase.

19. As we recognize the centrality and primacy of the multilateral trading system, we note that WTO Members have also successfully worked and reached agreements in plurilateral formats.

20. We take note of the reports from the General Council and its subsidiary bodies. We welcome the progress arising from these reports, and the Decisions stemming from them, in strengthening the effectiveness of the WTO as an organisation and the multilateral trading system as a whole.

PART II

Regular work under the General Council

21. We welcome the following decisions we have adopted at this Session:

- Work Programme on Small Economies – Ministerial Decision – WT/MIN(15)/40 – WT/L/975
- TRIPS Non-violation and Situation Complaints – Ministerial Decision – WT/MIN(15)/41 – WT/L/976
- Work Programme on Electronic Commerce – Ministerial Decision – WT/MIN(15)/42 – WT/L/977

22. We further welcome the adoption by the TRIPS Council of the Decision on the Extension of the Transition Period under Article 66.1 of the TRIPS Agreement for Least-developed Country Members for certain obligations with respect to pharmaceutical products as well as the related Waiver Decision adopted by the General Council concerning Least-developed Country Members' obligations under Article 70.8 and 70.9 of the TRIPS Agreement.

Doha Development Agenda

23. We welcome the progress in the DDA, which is embodied in the following Decisions and Declarations we have adopted at our Tenth Session:

Agriculture

- Special Safeguard Mechanism for Developing Country Members – Ministerial Decision of 19 December 2015 – WT/MIN(15)/43 – WT/L/978
- Public Stockholding for Food Security Purposes – Ministerial Decision of 19 December 2015 – WT/MIN(15)/44 – WT/L/979

- Export Competition – Ministerial Decision of 19 December 2015 – WT/MIN(15)/45 – WT/L/980

Cotton

- Cotton – Ministerial Decision of 19 December 2015 – WT/MIN(15)/46 – WT/L/981

LDC issues

- Preferential Rules of Origin for Least-Developed Countries – Ministerial Decision – WT/MIN(15)/47 – WT/L/917/Add.1
- Implementation of Preferential Treatment in Favour of Services and Service Suppliers of Least Developed Countries and Increasing LDC Participation in Services Trade – Ministerial Decision – WT/MIN(15)/48 – WT/L/982

PART III

24. We strongly commit to addressing the marginalization of LDCs in international trade and to improving their effective participation in the multilateral trading system. Towards that end, we shall ensure that all issues of specific interest to LDCs shall be pursued on a priority basis, with a view to strengthening them, making them commercially meaningful and, when appropriate, legally binding.

25. We reaffirm our commitment to fully implement the Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on Least-Developed and Net Food-Importing Developing Countries, including differential treatment in line with the Marrakesh Decision in the context of the agriculture negotiations, in recognition of the challenges that these Members continue to face.

26. We reaffirm our commitment to continue to address in every area of WTO work, in a substantive and meaningful manner, the needs of small, vulnerable economies (SVEs) and to favourably consider the adoption of such measures as would facilitate their fuller integration into the multilateral trading system. We will take into account the needs of SVEs in all areas of negotiations, without creating a sub-category of WTO Members.

27. We recognize the special situation of the Members acceded in accordance with Article XII of the *Agreement Establishing the World Trade Organization* who have undertaken extensive market access commitments at the time of accession. This situation shall be taken into account in the negotiations.

28. We reaffirm the need to ensure that Regional Trade Agreements (RTAs) remain complementary to, not a substitute for, the multilateral trading system. In this regard, we instruct the Committee on Regional Trade Agreements (CRTA) to discuss the systemic implications of RTAs for the multilateral trading system and their relationship with WTO rules. With a view to enhancing transparency in, and understanding of, RTAs and their effects, we agree to work towards the transformation of the current provisional Transparency Mechanism into a permanent mechanism in accordance with the General Council Decision of 14 December 2006, without prejudice to questions related to notification requirements.

29. We agree to reinvigorate the regular work of the Committees and direct the General Council to consider the need for adjustments in the structure of their subsidiary bodies in light of their relevance to the implementation and operation of the Covered Agreements.

30. We recognize that many Members reaffirm the Doha Development Agenda, and the Declarations and Decisions adopted at Doha and at the Ministerial Conferences held since then, and reaffirm their full commitment to conclude the DDA on that basis. Other Members do not reaffirm the Doha mandates, as they believe new approaches are necessary to achieve meaningful outcomes in multilateral negotiations. Members have different views on how to address the negotiations. We acknowledge the strong legal structure of this Organization.

31. Nevertheless, there remains a strong commitment of all Members to advance negotiations on the remaining Doha issues. This includes advancing work in all three pillars of agriculture, namely domestic support, market access and export competition, as well as non-agriculture market access, services, development, TRIPS and rules. Work on all the Ministerial Decisions adopted in Part II of this Declaration will remain an important element of our future agenda.

32. This work shall maintain development at its centre and we reaffirm that provisions for special and differential treatment shall remain integral. Members shall also continue to give priority to the concerns and interests of least developed countries. Many Members want to carry out the work on the basis of the Doha structure, while some want to explore new architectures.

33. Mindful of this situation and given our common resolve to have this meeting in Nairobi, our first Ministerial Conference in Africa, play a pivotal role in efforts to preserve and further strengthen the negotiating function of the WTO, we therefore agree that officials should work to find ways to advance negotiations and request the Director-General to report regularly to the General Council on these efforts.

34. While we concur that officials should prioritize work where results have not yet been achieved, some wish to identify and discuss other issues for negotiation; others do not. Any decision to launch negotiations multilaterally on such issues would need to be agreed by all Members.



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**Ministerial Conference
Tenth Session
Nairobi, 15-18 December 2015**

WORK PROGRAMME ON SMALL ECONOMIES

MINISTERIAL DECISION OF 19 DECEMBER 2015

The *Ministerial Conference* decides as follows:

We reaffirm our commitment to the Work Programme on Small Economies and take note of all the work conducted to date. In particular, we note that document WT/COMTD/SE/W/22/Rev.7 and its previous revisions reflect the work of the Dedicated Session up to the Tenth Ministerial Conference. We take note of the work carried out since 2013, including that on the challenges and opportunities faced by small economies when linking into global value chains in trade in goods and services, and instruct the CTD to continue its work in Dedicated Session under the overall responsibility of the General Council.

Furthermore, we instruct the Dedicated Session to consider in further detail the various submissions that have been received to date, examine any additional proposals that Members might wish to submit and, where possible, and within its mandate, make recommendations to the General Council on any of these proposals. The General Council shall direct relevant subsidiary bodies to frame responses to the trade-related issues identified by the CTD with a view to making recommendations for action. We instruct the WTO Secretariat to provide relevant information and factual analysis for discussion among Members in the CTD's Dedicated Session, *inter alia*, in the areas identified in item k of paragraph 2 of the Work Programme on Small Economies and, in particular, to continue its work on the challenges and opportunities experienced by small economies when linking into global value chains in trade in goods and services. We request the Secretariat to also conduct work on the challenges small economies experience in their efforts to reduce trade costs, particularly in the area of trade facilitation.

The CTD in Dedicated Session shall continue monitoring the progress of the small economy proposals in WTO bodies and in negotiating groups with the aim of providing responses, as soon as possible, to the trade-related issues identified for the fuller integration of SVEs in the multilateral trading system.



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**Ministerial Conference
Tenth Session
Nairobi, 15-18 December 2015**

TRIPS NON-VIOLATION AND SITUATION COMPLAINTS

MINISTERIAL DECISION OF 19 DECEMBER 2015

The *Ministerial Conference* decides as follows:

We take note of the work done by the Council for Trade-Related Aspects of Intellectual Property Rights pursuant to our Decision of 7 December 2013 on "TRIPS Non-Violation and Situation Complaints" (WT/L/906), and direct it to continue its examination of the scope and modalities for complaints of the types provided for under subparagraphs 1(b) and 1(c) of Article XXIII of GATT 1994 and make recommendations to our next Session, which we have decided to hold in 2017. It is agreed that, in the meantime, Members will not initiate such complaints under the TRIPS Agreement.



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(15-6846)

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**Ministerial Conference
Tenth Session
Nairobi, 15-18 December 2015**

WORK PROGRAMME ON ELECTRONIC COMMERCE

MINISTERIAL DECISION OF 19 DECEMBER 2015

The Ministerial Conference,

Recalling the 'Work Programme on Electronic Commerce' adopted on 25 September 1998¹ and reaffirming subsequent Ministerial Declarations and Decisions on the Work Programme,

Decides:

1. To continue the work under the Work Programme on Electronic Commerce since our last session, based on the existing mandate and guidelines and on the basis of proposals submitted by Members in the relevant WTO bodies as set out in paragraphs 2 to 5 of the Work Programme,
2. To instruct the General Council to hold periodic reviews in its sessions of July and December 2016 and July 2017 based on the reports that may be submitted by the WTO bodies entrusted with the implementation of the Work Programme and report to the next session of the Ministerial Conference,
3. That Members will maintain the current practice of not imposing customs duties on electronic transmissions until our next session which we have decided to hold in 2017.

¹ WT/L/274.



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Tenth Session
Nairobi, 15-18 December 2015**

SPECIAL SAFEGUARD MECHANISM FOR DEVELOPING COUNTRY MEMBERS

MINISTERIAL DECISION OF 19 DECEMBER 2015

The Ministerial Conference,

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

In the context of addressing outstanding agricultural issues; and

Taking note of the proposals made by Members in this regard;

Decides as follows:

1. The developing country Members will have the right to have recourse to a special safeguard mechanism (SSM) as envisaged under paragraph 7 of the Hong Kong Ministerial Declaration.
2. To pursue negotiations on an SSM for developing country Members in dedicated sessions of the Committee on Agriculture in Special Session ("CoA SS").
3. The General Council shall regularly review progress in these negotiations



**Ministerial Conference
Tenth Session
Nairobi, 15-18 December 2015**

PUBLIC STOCKHOLDING FOR FOOD SECURITY PURPOSES

MINISTERIAL DECISION OF 19 DECEMBER 2015

The Ministerial Conference,

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

Taking note of the progress made so far;

Decides as follows:

1. Members note the Ministerial Decision of 7 December 2013 (WT/MIN(13)/38 and WT/L/913) and reaffirm the General Council Decision of 27 November 2014 (WT/L/939).
2. Members shall engage constructively to negotiate and make all concerted efforts to agree and adopt a permanent solution on the issue of public stockholding for food security purposes. In order to achieve such permanent solution, the negotiations on this subject shall be held in the Committee on Agriculture in Special Session ("CoA SS"), in dedicated sessions and in an accelerated time-frame, distinct from the agriculture negotiations under the Doha Development Agenda ("DDA").
3. The General Council shall regularly review the progress.



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**Ministerial Conference
Tenth Session
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EXPORT COMPETITION

MINISTERIAL DECISION OF 19 DECEMBER 2015

The *Ministerial Conference*,

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

Decides as follows:

General

1. Members reaffirm their commitment, pursuant to the 2013 Bali Ministerial Declaration on Export Competition¹, to exercise utmost restraint with regard to any recourse to all forms of export subsidies and all export measures with equivalent effect.
2. Nothing in this Decision can be construed to give any Member the right to provide, directly or indirectly, export subsidies in excess of the commitments specified in Members' Schedules, or to otherwise detract from the obligations of Article 8 of the Agreement on Agriculture. Furthermore, nothing can be construed to imply any change to the obligations and rights under Article 10.1 of the Agreement on Agriculture or to diminish in any way existing obligations under other provisions of the Agreement on Agriculture or other WTO Agreements.
3. Nor can anything in this Decision be construed to diminish in any way the existing commitments contained in the Marrakesh Ministerial Decision of April 1994 on Measures Concerning the Possible Negative Effects of the Reform Programme on Least-developed and Net Food-importing Developing Countries and the Ministerial Decision of 14 November 2001 on Implementation-related Issues and Concerns² on, *inter alia*, commitment levels of food aid, provision of food aid by donors, technical and financial assistance in the context of aid programmes to improve agricultural productivity and infrastructure, and financing normal levels of commercial imports of basic foodstuffs. Nor could it be understood to alter the regular review of these decisions by the Ministerial Conference and monitoring by the Committee on Agriculture.
4. The Committee on Agriculture shall monitor the implementation of this Decision by Members in accordance with existing notification requirements under the Agreement on Agriculture, as complemented by the provisions set out in the Annex to this Decision.
5. The regular sessions of the Committee on Agriculture shall review every three years the disciplines contained in this Decision, with the aim of enhancing disciplines to ensure that no circumvention threatens export subsidy elimination commitments and to prevent non-commercial transactions from being used to circumvent such commitments.

¹ Document WT/MIN(13)/40 and WT/L/915.

² Document WT/MIN(01)/17.

Export Subsidies

6. Developed Members shall immediately eliminate their remaining scheduled export subsidy entitlements as of the date of adoption of this Decision.^{3,4}
7. Developing country Members shall eliminate their export subsidy entitlements by the end of 2018.⁵
8. Developing country Members shall continue to benefit from the provisions of Article 9.4 of the Agreement on Agriculture until the end of 2023, i.e. five years after the end-date for elimination of all forms of export subsidies. Least developed countries and net food-importing developing countries listed in G/AG/5/Rev.10 shall continue to benefit from the provisions of Article 9.4 of the Agreement on Agriculture until the end of 2030.
9. Members shall not apply export subsidies in a manner that circumvents the requirement to reduce and eliminate all export subsidies.
10. Members shall seek not to raise their export subsidies beyond the average level of the past five years on a product basis.
11. Members shall ensure that any export subsidies have at most minimal trade distorting effects and do not displace or impede the exports of another Member. To that effect, Members using export subsidies shall give due consideration to the effects of any such export subsidies on other Members, and shall consult, upon request, with any other Member having a substantial interest as an exporter with respect to any matter related to the export subsidies in question. The Member applying such export subsidies shall provide, upon request, such a Member with necessary information.

Cotton

12. With regard to cotton, the disciplines and commitments contained in this Decision shall be immediately implemented as of the date of adoption of this Decision by developed country Members, and not later than 1 January 2017 by developing country Members.

³ This paragraph shall not cover quantities counted against export subsidy reduction commitments found to exist by the Dispute Settlement Body in its recommendations and rulings adopted in disputes DS265, DS266, and DS283, with respect to the existing programme, which expires on 30 September 2017, for the product concerned by those disputes.

⁴ This paragraph shall not cover processed products, dairy products, and swine meat of a developed Member that agrees to eliminate as of 1 January 2016 all export subsidies on products destined for least developed countries, and that has notified export subsidies for such products or categories of products in one of its three latest export subsidy notifications examined by the Committee on Agriculture before the date of adoption of this Decision. For these products, scheduled export subsidies shall be eliminated by the end of 2020, and quantity commitment levels shall be applied as a standstill until the end of 2020 at the actual average of quantity levels of the 2003-05 base period. Furthermore, there shall be no export subsidies applied either to new markets or to new products.

⁵ Notwithstanding this paragraph, a developing country Member shall eliminate its export subsidy entitlements by the end of 2022 for products or groups of products for which it has notified export subsidies in one of its three latest export subsidy notifications examined by the Committee on Agriculture before the date of adoption of this Decision.

Export Credits, Export Credit Guarantees or Insurance Programmes

Definition

13. In addition to complying with all other export subsidy obligations under the Agreement on Agriculture and any other covered Agreements⁶, Members undertake not to provide export credits⁷, export credit guarantees or insurance programmes for exports of products listed in Annex 1 of the Agreement on Agriculture (hereafter "agricultural products") other than in conformity with this Decision. These export credits, export credit guarantees and insurance programmes (hereafter "export financing support") comprise:
- (a) direct financing support, comprising direct credits/financing, refinancing, and interest rate support;
 - (b) risk cover, comprising export credit insurance or reinsurance and export credit guarantees;
 - (c) government-to-government credit agreements covering the imports of agricultural products from the creditor country under which some or all of the risk is undertaken by the government of the exporting country; and
 - (d) any other form of governmental export credit support, direct or indirect, including deferred invoicing and foreign exchange risk hedging.
14. The provisions of this Decision shall apply to export financing support as defined in paragraph 13 provided by a government or any public body as referred to in Article 1.1(a)1 of the Agreement on Subsidies and Countervailing Measures.

Terms and Conditions

15. Export financing support shall be provided in conformity with the terms and conditions set out below:
- (a) **Maximum repayment term:** the maximum repayment term for export financing support under this Decision, this being the period beginning at the starting point of credit⁸ and ending on the contractual date of the final payment, shall be no more than 18 months. For developed Members, this shall apply from the last day of 2017. Existing contracts which have been entered into prior to the adoption of this Decision, are still in place, and are operating on a longer timeframe than that defined in the preceding sentence, shall run their course until the end of their contractual date, provided that they are notified to the Committee on Agriculture and are not modified;
 - (b) **Self-financing:** Export credit guarantee, insurance and reinsurance programmes and other risk cover programmes included within sub-paragraphs 13(b), (c) and (d) above shall be self-financing and cover the long-term operating costs and losses of a programme in the sense of item (j) of the Illustrative List of Annex I of the Agreement on Subsidies and Countervailing Measures. For the operations covered in the previous sentence, premiums shall be charged and be risk-based.

⁶ However, the second paragraph of item (k) of Annex I to the Agreement on Subsidies and Countervailing Measures (hereafter "Illustrative List") shall not be applicable in the case of agricultural products.

⁷ The export credits defined in this paragraph do not include working capital financing to the suppliers.

⁸ The "starting point of credit" shall be no later than the weighted mean date or actual date of the arrival of the goods in the recipient country for a contract under which shipments are made in any consecutive six-month period.

Special and Differential Treatment

16. Developing country Member providers of export financing support shall be eligible to benefit from the following:

Maximum repayment terms: the developing country Members concerned shall have a phase-in period of four years after the first day of the implementation period⁹ by the end of which to fully implement the maximum repayment term of 18 months. This shall be achieved as follows:

- (a) on the first day of implementation, the maximum repayment term for any new support entered into shall be 36 months;
- (b) two years after implementation, the maximum repayment term for any new support to be entered into shall be 27 months;
- (c) four years after implementation, the maximum repayment term of 18 months shall apply.

It is understood that where there are, after any of the relevant dates, pre-existing support arrangements entered into under the limits established in the sub-paragraphs (a)-(c) above, they shall run their original term.

17. Notwithstanding the terms of paragraphs 15(a) and 16 above, least-developed and net food-importing developing countries listed in G/AG/5/Rev.10 shall be accorded differential and more favourable treatment comprising allowance for a repayment term in respect of them of between 36 and 54 months, for the acquisition of basic foodstuffs.¹⁰ Should one of these Members face exceptional circumstances which still preclude financing normal levels of commercial imports of basic foodstuffs and/or in accessing loans granted by multilateral and/or regional financial institutions within these timeframes, it shall have an extension of such a time-frame. The standard monitoring and surveillance provisions, as resulting from this Decision, shall apply to these cases.¹¹

⁹ For the purposes of this paragraph, implementation period shall be defined as the period commencing in the year 2016 and ending on 31 December 2020.

¹⁰ Belize, the Plurinational State of Bolivia, Ecuador, Fiji, Guatemala, Guyana, Nicaragua, Papua New Guinea and Suriname shall also have access to this provision.

¹¹ In the event that Cuba is a recipient Member in this situation, the time-frame can be greater than 54 months and any such monitoring and surveillance shall not apply without the prior express consent of Cuba.

Agricultural Exporting State Trading Enterprises

18. Members shall ensure that agricultural exporting state trading enterprises are operated in conformity with the provisions specified in paragraphs 20 and 21, in accordance with Article XVII, the Understanding on the Interpretation of Article XVII and other relevant provisions of GATT 1994, the Agreement on Agriculture and other WTO Agreements.
19. For the purpose of the disciplines set out hereunder in this Decision, an agricultural exporting state trading enterprise shall be any enterprise which meets the working definition provided for in the Understanding on the Interpretation of Article XVII of the GATT 1994 and is engaged in exports of products listed in Annex 1 of the Agreement on Agriculture.¹²
20. Members shall ensure that agricultural exporting state trading enterprises do not operate in a manner that circumvents any other disciplines contained in this Decision.
21. Members shall make their best efforts to ensure that the use of export monopoly powers by agricultural exporting state trading enterprises is exercised in a manner that minimizes trade distorting effects and does not result in displacing or impeding the exports of another Member.

¹² "Governmental and non-governmental enterprises, including marketing boards, which have been granted exclusive or special rights or privileges, including statutory or constitutional powers, in the exercise of which they influence through their purchases or sales the level or direction of imports or exports." It is understood that where there is reference to the "rights and privileges" that "influence ... the level or direction of imports" in the preceding sentence, this matter of imports is not per se a matter falling under the disciplines of this Decision which relates, rather, solely to the matter of exports under that working definition.

International Food Aid

22. Members reaffirm their commitment to maintain an adequate level of international food aid, to take account of the interests of food aid recipients and to ensure that the disciplines contained hereafter do not unintentionally impede the delivery of food aid provided to deal with emergency situations. To meet the objective of preventing or minimizing commercial displacement, Members shall ensure that international food aid is provided in full conformity with the disciplines specified in paragraphs 23 to 32, thereby contributing to the objective of preventing commercial displacement.
23. Members shall ensure that all international food aid is:
- a. needs-driven;
 - b. in fully grant form;
 - c. not tied directly or indirectly to commercial exports of agricultural products or other goods and services;
 - d. not linked to the market development objectives of donor Members;
- and that
- e. agricultural products provided as international food aid shall not be re-exported in any form, except where the agricultural products were not permitted entry into the recipient country, the agricultural products were determined inappropriate or no longer needed for the purpose for which they were received in the recipient country, or re-exportation is necessary for logistical reasons to expedite the provision of food aid for another country in an emergency situation. Any re-exportation in accordance with this subparagraph shall be conducted in a manner that does not unduly impact established, functioning commercial markets of agricultural commodities in the countries to which the food aid is re-exported.
24. The provision of food aid shall take into account local market conditions of the same or substitute products. Members shall refrain from providing in-kind international food aid in situations where this would be reasonably foreseen to cause an adverse effect on local¹³ or regional production of the same or substitute products. In addition, Members shall ensure that international food aid does not unduly impact established, functioning commercial markets of agricultural commodities.
25. Where Members provide exclusively cash-based food aid, they are encouraged to continue to do so. Other Members are encouraged to provide cash-based or in-kind international food aid in emergency situations, protracted crises (as defined by the FAO¹⁴), or non-emergency development/capacity building food assistance environments where recipient countries or recognized international humanitarian/food entities, such as the United Nations, have requested food assistance.
26. Members are also encouraged to seek to increasingly procure international food aid from local or regional sources to the extent possible, provided that the availability and prices of basic foodstuffs in these markets are not unduly compromised.
27. Members shall monetize international food aid only where there is a demonstrable need for monetization for the purpose of transport and delivery of the food assistance, or the monetization of international food aid is used to redress short and/or long term food deficit requirements or insufficient agricultural production situations which give rise to

¹³ The term "local" may be understood to mean at the national or subnational level.

¹⁴ FAO defines protracted crises as follows: "*Protracted crises refer to situations in which a significant portion of a population is facing a heightened risk of death, disease, and breakdown of their livelihoods.*"

chronic hunger and malnutrition in least-developed and net food-importing developing countries.¹⁵

28. Local or regional market analysis shall be completed before monetization occurs for all monetized international food aid, including consideration of the recipient country's nutritional needs, local United Nations Agencies' market data and normal import and consumption levels of the commodity to be monetized, and consistent with Food Assistance Convention reporting. Independent third party commercial or non-profit entities will be employed to monetize in-kind international food aid to ensure open market competition for the sale of in-kind international food aid.
29. In employing these independent third party commercial or non-profit entities for the purposes of the preceding paragraph, Members shall ensure that such entities minimize or eliminate disruptions to the local or regional markets, which may include impacts on production, when international food aid is monetized. They shall ensure that the sale of commodities for food assistance purposes is conducted in a transparent, competitive and open process and through a public tender.¹⁶
30. Members commit to allowing maximum flexibility to provide for all types of international food aid in order to maintain needed levels while making efforts to move toward more untied cash-based international food aid in accordance with the Food Assistance Convention.
31. Members recognize the role of government in decision-making on international food aid in their jurisdictions. Members recognize that the government of a recipient country of international food aid can opt out of the usage of monetized international food aid.
32. Members agree to review the provisions on international food aid contained in the preceding paragraphs within the regular Committee on Agriculture monitoring of the implementation of the Marrakesh Ministerial Decision of April 1994 on Measures Concerning the Possible Negative Effects of the Reform Programme on Least-developed and net food-importing developing countries.

¹⁵ Belize, the Plurinational State of Bolivia, Ecuador, Fiji, Guatemala, Guyana, Nicaragua, Papua New Guinea and Suriname shall also have access to this provision.

¹⁶ In the instance where it is not feasible to complete a sale through a public tender, a negotiated sale can be used.

ANNEX¹⁷**EXPORT SUBSIDIES**

Consistent with the Bali Ministerial Declaration on Export Competition¹⁸ and in addition to annual notifications requirements under the relevant provisions of the Agreement on Agriculture and related decisions, Members shall continue to provide information on export subsidies within the context of an annual examination process, based on the following structure:

1. Provide information on operational changes in measures

EXPORT CREDIT, EXPORT CREDIT GUARANTEES OR INSURANCE PROGRAMS (EXPORT FINANCING)

Consistent with the Bali Ministerial Declaration on Export Competition, Members shall continue to provide information on Export Credit, Export Credit Guarantees or Insurance Programs within the context of an annual examination process, based on the following structure:

1. Description of the program (classification within the following categories: direct financing support, risk cover, government to government credit agreements or any other form of governmental export credit support) and relevant legislation
2. Description of Export Financing Entity
3. Total value of export of agricultural products covered by export credits, export credit guarantees or insurance programs and use per program
4. Annual average premium rates/fees per program
5. Maximum repayment terms per program
6. Annual average repayment periods per program
7. Export destination or group of destinations per program
8. Program use by product or product group

FOOD AID

Consistent with the Bali Ministerial Declaration on Export Competition, Members shall continue to provide information on International Food Aid within the context of an annual examination process, based on the following structure:

1. Product description
2. Quantity and/or value of food aid provided
3. Description of whether food aid is provided on in-kind, untied cash-based basis and whether monetisation was permitted
4. Description of whether in fully grant form or concessional terms
5. Description of relevant needs assessment (and by whom) and whether food aid is responding to a declaration of emergency or an emergency appeal (and by whom)
6. Description of whether re-export of food aid is an option under the terms of the provision of food aid

AGRICULTURAL EXPORTING STATE TRADING ENTERPRISES

Consistent with the Bali Ministerial Declaration on Export Competition, Members shall continue to provide information on Agricultural Exporting State Trading Enterprises within the context of an annual examination process, based on the following structure:

1. Enumeration of State Trading Enterprises
 - Identification of state trading enterprises
 - Description of products affected (*Including tariff item number(s) encompassed in product description*)

¹⁷ Notwithstanding paragraph 4 of this Decision, developing country Members, unless they are in a position to do so at an earlier date, shall implement this Annex no later than five years following the date of adoption of this Decision.

¹⁸ Decision WT/MIN(13)/40 and WT/L/915.

2. Reason and purpose
 - Reason or purpose for establishing and/or maintaining state trading enterprise
 - Summary of legal basis for granting the relevant exclusive or special rights or privileges, including legal provisions and summary of statutory or constitutional powers
3. Description of the functioning of the State Trading Enterprise
 - Summary statement providing overview of operations of the state trading enterprise
 - Specification of exclusive or special rights or privileges enjoyed by the state trading enterprise

Additional information subject to normal commercial confidentiality considerations

1. Exports (value/volume)
 2. Export prices
 3. Export destination
-



**Ministerial Conference
Tenth Session
Nairobi, 15-18 December 2015**

COTTON

MINISTERIAL DECISION OF 19 DECEMBER 2015

The Ministerial Conference,

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

Stressing the vital importance of cotton to a number of developing economies and particularly the least-developed amongst them, and noting that over the past few years cotton has been one of the most contentious issues at the World Trade Organization (WTO), both in the trade negotiations and in the framework of the dispute settlement process;

Recalling that export subsidies and all export measures with equivalent effect and trade distorting domestic support for cotton by WTO Members distort prices and disrupt international cotton markets, with severe consequences for the economy and social lives in African cotton-producing countries, especially Least Developed Countries (LDCs);

Recalling that on several occasions, the Cotton Four (C-4)¹ has stressed the need for progress as regards the commitment of WTO Trade Ministers and has shown its good will in seeking to build a credible consensus through negotiation;

Expressing their concern at the lack of progress in the cotton negotiations and the absence of clearly-stated political determination in the trade component of this vital issue since 2003, when the Sectoral Initiative in Favour of Cotton was submitted to the WTO;

Taking into account the context that has prevailed in recent years and of the trend in world cotton prices, which has been highly unfavourable for cotton producers and exporters, and in particular African ones, over the past two years;

Considering the 1979 Decision on Differential and More Favourable Treatment, Reciprocity and Fuller Participation of Developing Countries (L/4903), the 1994 Ministerial Decision on Measures in Favour of Least-Developed Countries and the 2009 Decision on Preferential Tariff Treatment for Least Developed Countries (WT/L/759), and without prejudice to the right of Members to continue to act pursuant to the provisions contained in those Decisions; and

Taking into account the 2010 Decision on the Transparency Mechanism for Preferential Trade Arrangements (WT/L/806).

Decides as follows:

¹ Benin, Burkina Faso, Chad and Mali.

1. TRADE COMPONENT

1.1 MARKET ACCESS

1. We welcome the progress made voluntarily by some Members towards providing duty-free and quota-free market access for cotton and cotton-related products originating from LDCs.

2. Developed country Members, and developing country Members declaring themselves in a position to do so, shall grant, to the extent provided for in their respective preferential trade arrangements² in favour of LDCs, as from 1 January 2016, duty-free and quota-free market access for cotton produced and exported by LDCs.

3. Developing country Members declaring themselves not in a position to grant duty-free and quota-free market access for cotton produced and exported by LDCs shall undertake, as from 1 January 2016, to consider the possibilities for increased import opportunities for cotton from LDCs.

4. Developed country Members, and developing country Members declaring themselves in a position to do so, shall grant, to the extent provided for in their respective preferential trade arrangements² in favour of LDCs, as from 1 January 2016, duty-free and quota-free market access for exports by LDCs of relevant cotton-related products included in the list annexed to this Decision and covered by Annex 1 of the Agreement on Agriculture.

5. We agree to review the list annexed to this Decision in the Dedicated Discussions on cotton referred to in paragraph 14 of this Decision within two years, on the basis of updated trade statistics provided by Members on their imports from LDCs.

6. The Dedicated Discussions on cotton referred to in paragraph 14 of this Decision shall continue to address the following specific elements, based on factual information and data compiled by the WTO Secretariat from Members' notifications, complemented, as appropriate, by relevant information provided by Members to the WTO Secretariat:

- (a) identification and examination of market access barriers, including tariff and non-tariff barriers for the entry of cotton produced and exported by cotton-producing LDCs;
- (b) reviews of market access improvements and of any market access measures undertaken by Members, including the identification of access barriers to cotton produced and exported by cotton-producing LDCs in markets of interest to them; and
- (c) examination of possible additional measures for progressive and predictable improvements in market access, in particular the elimination of tariff and non-tariff barriers to cotton produced and exported by cotton-producing LDCs.

1.2 DOMESTIC SUPPORT

7. We acknowledge the efforts made by some Members to reform their domestic cotton policies and which may contribute to the objective of reduction of the trade distorting domestic subsidies for cotton production.

8. We emphasize however that some more efforts remain to be made and that these positive steps are not a substitute for the attainment of our objective. In doing so, Members shall ensure that necessary transparency is provided through regular notifications and the subsequent review process in the Committee on Agriculture.

² In this regard, China declares itself in a position to do so to the extent provided for in its preferential trade arrangements and political commitments.

1.3 EXPORT COMPETITION

9. The disciplines and commitments contained in the Ministerial Decision on Export Competition (WT/MIN(15)/45-WT/L/980 adopted on 19 December 2015) shall be immediately implemented with regard to cotton by developed country Members as of the date of adoption of that Decision, and by developing country Members not later than 1 January 2017.

2. DEVELOPMENT COMPONENT

10. We reaffirm the importance of the development assistance aspects of cotton, and commit to continued engagement in the Director-General's Consultative Framework Mechanism on Cotton. We take note of the Director-General's seventh periodic report to the Membership on the development assistance aspects of cotton. We invite the Director-General to submit the next periodic report prior to the 11th Ministerial Conference.

11. We underline the importance of effective assistance to support the cotton sector in developing country Members, especially the LDCs amongst them. We recognize that the Aid-for-Trade (Aft) initiative, including through the Enhanced Integrated Framework (EIF), should play a key role in strengthening the cotton sector in LDCs. The linkage between this initiative and the development aspects of cotton should be reinforced to help formulate, on the basis of priorities identified by LDC cotton producers, multidimensional and integrated programmes and projects at the regional and sub-regional level, to be submitted to development partners.

12. We urge WTO Members and development partners to continue their efforts and contributions to enhance the production, productivity and competitiveness of the cotton sector in developing country Member producers, especially the LDCs. Likewise, the beneficiaries of cotton development assistance are encouraged to continue carrying forward their domestic cotton sector reforms.

13. We recognize the importance of the role of Cotton Focal Points and encourage Members to enhance the experiences and information sharing amongst all interested parties in the cotton dossier.

3. IMPLEMENTATION AND FOLLOW-UP

14. We undertake to continue holding Dedicated Discussions on cotton on a bi-annual basis, as indicated in paragraphs 5, 6 and 7 of the Bali Ministerial Decision on Cotton (WT/MIN(13)/41 and WT/L/916), including in particular to examine relevant trade-related developments across the three pillars of Market Access, Domestic Support, and Export Competition in relation to cotton.

15. We undertake to regularly monitor the implementation by Members of paragraphs 2 to 4 during these Dedicated Discussions on cotton, based on relevant Members' notifications to the WTO, complemented as necessary by Members' replies to specific requests for information from the WTO Secretariat.

16. We agree to review the situation regarding cotton at the 11th Ministerial Conference, which we have agreed to hold in 2017, and we invite the Director-General to report at that Conference on the progress that has been made in implementing the trade-related components of this Decision.

ANNEX : LIST ³		
Harmonized System 2012		
(In grey: rows corresponding to HS6 tariff lines)		
Cotton	520100	Cotton, not carded or combed
	5202	Cotton waste (including yarn waste and garnetted stocks)
	520210	- Yarn waste (including thread waste)
		- Other
	520291	-- Garnetted stock
	520299	-- Other
	520300	Cotton, carded or combed
Cotton shells, husks, oil and other food products	1207	Other oil seeds and oleaginous fruits, whether or not broken - Cotton seeds
	120721	-- Seed
	120729	-- Other
	1404	Vegetable products not elsewhere specified or included
	140420	- Cotton linters
	1512	Sunflower-seed, safflower or cotton-seed oil and fractions thereof, whether or not refined, but not chemically modified - Cotton-seed oil and its fractions
	151221	-- Crude oil, whether or not gossypol has been removed
	151229	-- Other
	1521	Vegetable waxes (other than triglycerides), beeswax, other insect waxes and spermaceti, whether or not refined or coloured
	152110	- Vegetable waxes
	2306	Oil-cake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of vegetable fats or oils, other than those of heading 23.04 or 23.05
	230610	- Of cotton seeds
	2936	Provitamins and vitamins, natural or reproduced by synthesis (including natural concentrates), derivatives thereof used primarily as vitamins, and intermixtures of the foregoing, whether or not in any solvent - Vitamins and their derivatives, unmixed
	293624	-- D- or DL-Pantothenic acid (Vitamin B3 or Vitamin B5) and its derivatives
293628	-- Vitamin E and its derivatives	

³ This list does not alter Members' existing WTO obligations and requirements.



**Ministerial Conference
Tenth Session
Nairobi, 15-18 December 2015**

PREFERENTIAL RULES OF ORIGIN FOR LEAST DEVELOPED COUNTRIES

MINISTERIAL DECISION OF 19 DECEMBER 2015

The Ministerial Conference,

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

Recalling the "Decision on Measures in Favour of Least-Developed Countries" (Annex F of the Hong Kong Ministerial Declaration) which states that: "Developed country Members shall, and developing country Members declaring themselves in a position to do so should: ensure that preferential rules of origin applicable to imports from LDCs are transparent and simple, and contribute to facilitating market access";

Reaffirming and building upon the guidelines enumerated in the "Ministerial Decision on Preferential Rules of Origin for Least-Developed Countries" adopted at the Bali Ministerial Conference;

Decides, with respect to preferential rules of origin applicable to imports from LDCs under non-reciprocal preferential trade arrangements, as follows:

1 REQUIREMENTS FOR THE ASSESSMENT OF SUFFICIENT OR SUBSTANTIAL TRANSFORMATION

1.1. When applying an *ad valorem* percentage criterion to determine substantial transformation, Preference-granting Members shall:

- (a) Adopt a method of calculation based on the value of non-originating materials. However, Preference-granting Members applying another method may continue to use it. It is recognized that the LDCs seek consideration of use of value of non-originating materials by such Preference-granting Members when reviewing their preference programmes;
- (b) Consider, as the Preference-granting Members develop or build on their individual rules of origin arrangements applicable to imports from LDCs, allowing the use of non-originating materials up to 75% of the final value of the product, or an equivalent threshold in case another calculation method is used, to the extent it is appropriate and the benefits of preferential treatment are limited to LDCs¹;
- (c) Consider the deduction of any costs associated with the transportation and insurance of inputs from other countries to LDCs.

¹ This provision shall not apply to Preference-granting Members who do not use the *ad valorem* percentage criterion as their main method for the determination of substantial transformation.

1.2. When applying a change of tariff classification criterion to determine substantial transformation, Preference-granting Members shall:

- (a) As a general principle, allow for a simple change of tariff heading or change of tariff sub-heading;
- (b) Eliminate all exclusions or restrictions to change of tariff classification rules, except where the Preference-granting Member deems that such exclusions or restrictions are needed, including to ensure that a substantial transformation occurs;
- (c) Introduce, where appropriate, a tolerance allowance so that inputs from the same heading or sub-heading may be used.

1.3. When applying a manufacturing or processing operation criterion to determine substantial transformation, Preference-granting Members shall, to the extent provided for in their respective non-reciprocal preferential trade arrangements, allow as follows:

- (a) if applied to clothing of chapters 61 and 62 of the Harmonised System nomenclature, the rule shall allow assembling of fabrics into finished products;
- (b) if applied to chemical products, the rule shall allow chemical reactions that form a new chemical identity;
- (c) if applied to processed agricultural products, the rule shall allow transforming of raw agricultural products into processed agricultural products;
- (d) if applied to machinery and electronics, the rule shall allow assembling of parts into finished products, provided that the assembly of parts goes beyond simple assembly.

1.4. Preference-granting Members shall, to the extent possible, avoid requirements which impose a combination of two or more criteria for the same product. If a Preference-granting Member still requires maintaining a combination of two or more criteria for the same product, that Preference-granting Member remains open to consider relaxing such requirements for that specific product upon due request by an LDC.

1.5. Preference-granting Members are encouraged to offer alternative rules for the same product. In such cases, the above-mentioned provisions will be applicable to only one of the alternative rules.

2 CUMULATION

2.1. Recognizing that the development of cumulation possibilities should be considered in relation to the rules applied to determine sufficient or substantial transformation, Preference-granting Members are encouraged to expand cumulation to facilitate compliance with origin requirements by LDC producers using the following possibilities:

- (a) cumulation with the respective Preference-granting Member;
- (b) cumulation with other LDCs;
- (c) cumulation with GSP beneficiaries of the respective Preference-granting Member; and
- (d) cumulation with developing countries forming part of a regional group to which the LDC is a party, as defined by the Preference-granting Member.

2.2. Preference-granting Members remain open to consider requests from LDCs for particular cumulation possibilities in the case of specific products or sectors.

3 DOCUMENTARY REQUIREMENTS

3.1. With a view to reducing the administrative burden related to documentary and procedural requirements related to origin, Preference-granting Members shall:

- (a) As a general principle, refrain from requiring a certificate of non-manipulation for products originating in a LDC but shipped across other countries unless there are concerns regarding transshipment, manipulation, or fraudulent documentation;
- (b) Consider other measures to further streamline customs procedures, such as minimizing documentation requirements for small consignments or allowing for self-certification.

4 IMPLEMENTATION, FLEXIBILITIES AND TRANSPARENCY

4.1. Developing country Members declaring themselves in a position to do so should, with appropriate flexibility, undertake the commitments set out in the above provisions.

4.2. No later than 31 December 2016 each developed Preference-granting Member, and each developing Preference-granting Member undertaking the commitments in accordance with paragraph 4.1 up to that date or thereafter, shall inform the Committee on Rules of Origin (CRO) of the measures being taken to implement the above provisions.

4.3. Preferential rules of origin shall be notified as per the established procedures.² In this regard, Members reaffirm their commitment to annually provide import data to the Secretariat as referred to Annex 1 of the PTA Transparency Mechanism, on the basis of which the Secretariat can calculate utilization rates, in accordance with modalities to be agreed upon by the CRO. Furthermore, the CRO shall develop a template for the notification of preferential rules of origin, to enhance transparency and promote a better understanding of the rules of origin applicable to imports from LDCs.

4.4. The CRO shall annually review the implementation of this Decision in accordance with the Transparency provisions contained in the Ministerial Decision on Preferential Rules of Origin for Least Developed Countries adopted at the Bali Ministerial Conference.

² These notifications are made pursuant to the Transparency Mechanism for Preferential Trade Agreements (PTAs). It is also noted that the Agreement on Rules of Origin stipulates that Members provide to their preferential rules of origin to the Secretariat.



**Ministerial Conference
Tenth Session
Nairobi, 15-18 December 2015**

**IMPLEMENTATION OF PREFERENTIAL TREATMENT IN FAVOUR OF SERVICES AND
SERVICE SUPPLIERS OF LEAST DEVELOPED COUNTRIES AND
INCREASING LDC PARTICIPATION IN SERVICES TRADE**

MINISTERIAL DECISION OF 19 DECEMBER 2015

The Ministerial Conference,

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

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";

Recognizing that services trade can play an important role in achieving the development objectives of least developed countries ("LDCs");

Recalling the Decision on Preferential Treatment to Services and Service Suppliers of Least-Developed Countries (WT/L/847) ("Waiver") agreed at our Eighth Session;

Recognizing the significant progress achieved following the Decision on the Operationalization of the Waiver Concerning Preferential Treatment to Services and Service Suppliers of Least-Developed Countries (WT/L/918) ("Operationalization Decision");

Acknowledging the important work undertaken by least developed countries to identify sectors and modes of supply of particular export interest to them in developing the LDC Collective Request (S/C/W/356, S/C/W/356/Corr.1 and S/C/W/356/Corr.2);

Commending the positive indications of intended preferences announced at the High-level meeting held on 5 February 2015;

Appreciative of the twenty-one notifications received so far, covering a wide range of preferences which may provide for removal or reduction of restrictions, and/or special procedures, in favor of LDC services and service suppliers;

Welcoming the expeditious approval of notifications that included preferential treatment beyond GATS Article XVI by the Council for Trade in Services;

Noting the need to strengthen the domestic service supply capacity in LDCs with a view to maximizing benefits from trade opportunities, including through preferences afforded to them;

Decides as follows:

1.1. Due to the extended period between the adoption of the Waiver in December 2011 and the notification of preferences in 2015, the Waiver is extended as of the date of this Decision until 31 December 2030. Preferences notified so far may, as appropriate, be extended accordingly.

1.2. Developed and developing Members, in a position to do so, that have not notified preferences under the Waiver are urged to redouble efforts to promptly notify preferences which have commercial value and promote economic benefits to LDCs.

1.3. In negotiations pursuant to GATS Article VI:4, Members shall give special priority to addressing regulatory barriers of interest to LDCs.

1.4. With a view to further increasing LDC participation in services trade and to complement notification of preferential treatment under the Waiver, Members are encouraged to undertake specific technical assistance and capacity building measures to orient LDC service suppliers to preference benefits available so that such suppliers can utilize the preferences granted.

1.5. The Council for Trade in Services shall:

- maintain a standing agenda item to review and promote the operationalization of the Waiver;
- expeditiously consider approval of notified preferences relating to measures other than those described in GATS Article XVI, in accordance with the Waiver;
- with a view to furthering the objectives of GATS Article IV, facilitate an exchange of information by Members on technical assistance measures undertaken to promote the increasing participation of LDCs in world services trade;
- initiate a process to review the operation of notified preferences, on the basis of information provided by Members. In support of that process, Members may request WTO Secretariat inputs, as appropriate; and
- further discuss any issues that may facilitate benefits provided under the notified preferences.

1.6. The Council for Trade in Services may make recommendations on steps that could be taken towards enhancing the operationalization of the Waiver.
