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**Draft Intervention for CTS Webinar on 'LDC Services Export Performance and Facilitating Implementation of Preferences notified under the LDC Services Waiver' to be held on 2<sup>nd</sup>-3<sup>rd</sup> June, 2021**

India takes this opportunity to congratulate the WTO Secretariat and all the WTO Members, particularly the LDC Members, on the organisation of this very useful and timely Webinar on 'LDC Services Export Performance and Facilitating Implementation of Preferences notified under the LDC Services Waiver'. Recognising that the LDCs need our special focus and attention, we wholeheartedly support such information sharing sessions in the context of the LDC Services Waiver.

**Background:**

India notified its preferential treatment to services and service suppliers of the LDCs with effect from 1<sup>st</sup> December, 2015. The preferential treatment was made in sectors and modes of supply which are of particular export interest to LDCs, as set out in the LDC Collective Request (Collective Request Pursuant to the Bali Decision on the Operationalization of the Waiver Concerning Preferential Treatment to Services and Service Suppliers of Least developed Countries, S/C/W/356). The details of the preferences granted by India are contained in the WTO document S/C/N/833 dated 30<sup>th</sup> September, 2015. Let me highlight some of its key aspects.

India has offered preferential treatment to the LDCs in the following areas:

- a. Visa related issues – wherein we have agreed to waive the visa fees for LDC applicants seeking Indian business and employment visas. India is the only WTO Member which has committed a waiver of visa fees under the LDC Services Waiver.
- b. Technical assistance and capacity building – for LDCs service suppliers was committed by India in several areas.
- c. Market access – commitments were made in various sectors and subsectors and access committed 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 etc. and these are without the requirements of Labour Market Tests (LMT). This commitment without LMTs is crucial as it makes the commitment

commercially meaningful and that much more predictable and certain. Many of these professions were committed by India for the first time in any trade agreement.

Further, India also offered very liberal, GATS plus market access openings in several service sectors with full commitments in modes 1 and 2 for most sectors and with 100% foreign investment under Mode 3. In computer and related services, India offered preferences at 2-digit level (CPC 84) considering the rapid technological advancement in this field.

Implementation and utilisation of preferences granted by India:

- d. Regarding the waiver of visa fees for LDC applicants, as per the information received from our Missions, from December 2015 to date, a total of 1,50,017 LDC applicants have availed the waiver of visa fees. As mentioned earlier, we were the only country which offered such a waiver, a very significant and commercially meaningful concession.
- e. As regards our offer on technical assistance and capacity building, this preference has been effectively utilised by the LDCs. Capacity building is one of the major activities under India's Indian Technical and Economic Cooperation (ITEC) Programme. From 2015-16 to 2019-20, India has offered 23,833 slots to LDCs under ITEC. ITEC slots offered to LDCs have consistently been more than 25% of the total ITEC slots, in accordance with our commitment. From 2018 onwards, new modalities such as e-ITEC have also been included in the bouquet of ITEC offerings. e-ITEC is a modality of ITEC programme wherein training is imparted in partner countries by Indian Institutes online in real time. In 2020-21, we had 1,417 participants from LDCs availing the e-ITEC facility.
- f. India has also taken a number of other novel initiatives in this regard.
  - o India launched the e-VidyaBharti (Tele-education) and the e-ArogyaBharti (Tele-medicine) Projects (e-VBAB) on 7<sup>th</sup> 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 15000 scholarships to African students to pursue undergraduate and postgraduate courses from premier public and private Universities of India.
  - o A tele-medicine centre and a tele-education centre have been set up in Uganda under the Pan-African E-Network Project. A tele-medicine centre was set up in

Mulago Hospital where several diagnostic equipment, such as ECG, X-Ray, Ultrasound, etc., were provided. The Centre is connected to Indian hospitals to ensure world-class medical consultation and treatment for patients and medical education for students. Besides, a tele-education centre was set up at Makerere University. These initiatives have helped Ugandans access medical care and education from India using modern technology.

- o Similarly, a tele-medicine center and a tele-education center have been set up in Bujumbura in Burundi under the Pan-African E-Network Project. This project aims to provide quality and real-time medical care and education from India at a fraction of the cost.
- g. In addition, many of our sectoral organizations such as 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) etc. have been undertaking efforts to provide priority to LDC participants in training and capacity building activities. India does not charge course fees from LDC applicants for most of such training programmes.
- h. With regard to market access, we are happy to inform that services exports from LDCs to India have more than doubled since the notification of India's preferences for LDC services and service suppliers.

Suggestions for better utilisation of preferences by the LDCs:

As mentioned, India has several on-going schemes related to training and capacity building for LDCs. But we are keen to do more.

In this regard, it is highlighted that we would want to highlight that some training and capacity building programmes, specially designed for LDCs in areas such as management consultancy services, 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) launched 5 such capacity building programmes, two in 2015-16 and three in 2016-17. However, these programmes could not be conducted due to the low level of response which did not fulfil the minimum participation requirement. Moreover, it may be noted that of the total ITEC slots offered to LDCs, about 74 % were utilised.

In view of the same, we feel it may be more useful if the LDCs could themselves identify areas in which they require capacity building assistance. India remains committed to positively considering requests from LDC for any programmes targeting specific sectors

and service suppliers where there is a perceived requirement for training and capacity building.

Concluding remarks:

We have offered concessions to LDCs in the true letter and spirit of the development agenda of the Doha Round. We hope that India's offer under the Services Waiver helps the LDCs increase their share in world trade.

Thank you.