

Thank you moderator,

Director General,

Executive Director,

Excellencies and Distinguished guests,

Good morning and welcome.

It is my honor to open today’s workshop on “Regulatory Frameworks to Facilitate Trade in Services”, organized together with fellow Members of MIKTA, that is a group of Mexico, Indonesia, Korea, Turkey and Australia.

To begin with, I would like to bring to your attention that all WTO Members, regardless where we stand, firmly share the recognition that trade in services is one of the main facilitators and drivers of inclusive growth and sustainable development.

It is beyond question that services trade has truly brought a wave of energy and enthusiasm to global trade – outpacing growth of trade in goods since long before. In particular, services trade is also taking up larger portion of trade in developing economies. The share of developing countries in global services trade has grown by 10 percentage point since 2005 reaching 25 percent of global services export - and 34.4 percent of import in 2017.

In addition, traditionally underrepresented groups such as micro, small and medium-sized enterprises (MSMEs) as well as women entrepreneurs now have seized more potential to benefit from trading in services. Digital technologies are making all these dramatic changes possible. There are less gender restrictions, less physical investment requirements and less financial resources needed to engage in the business of services than in traditional industries. This means that services trade can serve as a tool to reduce inequality not only *between* countries but also *within* countries.

Thanks to technological progress coupled with emergence of digital economy, future of services trade is expected to witness its impressive progress by leaps and bounds.

So, liberalization of services trade is crucial. However, it is not going to fly on its own. What matters more is to set up a conducive environment to harness services trade and maximize benefits earned from it. This is particularly the case for developing countries and LDCs since many of their service industries are still in a nascent stage.

I would like to remind you that the workshop organized by Council for Trade in Services held two weeks ago also emphasized that the preferential treatment dedicated to LDCs could be optimized when exporting countries are equipped with better regulatory policies that are consistent with international standard and practice.

However, while the world is rapidly shifting to digital economy, our regulations seem to become more fragmented and less coherent with one another. So, clearly we need to work on putting together the frameworks that address issues of diverging domestic regulations which include technical standards, licensing and qualification requirements, if we are looking for an outcome that is more substantive, balanced and inclusive.

To move forward, regulatory cooperation is essential. Sound domestic policies and regulations should be based on multilateral or regional negotiations that will help reduce companies' compliance cost, nurture human resources and attract foreign direct investment (FDI). All of these will involve a capacity building exercise particularly for Members which are yet to realize their full potentials in service industry.

Against this backdrop, I am confident that today's workshop will represent a good opportunity to share why and how regulatory frameworks can lead to sustainable growth and development. I am also keen to learn from panelists some of best practices and initiatives driven at national level.

Once again, I appreciate your attendance to this event. I look forward to having a lively and fruitful discussion today. Thank you.