Speech of the Acting Secretary for Foreign Affairs at the Opening of the Workshop on Trade Obstacle Alert Mechanism
16th October 2014

Ms Mohun and Mr Loridan from the International Trade Centre

Invited participants

Ladies and Gentleman

I am pleased to welcome all of you this morning at the workshop on the proposed Trade Obstacle Alert Mechanism which we intend to set up with technical and financial assistance from the International Trade Centre.

A special welcome to our guests from the ITC, Ms Mohun and Mr Loridan who would be conducting the workshop.

It is also an opportunity for me to thank ITC for its continued support to Mauritius. Indeed we have collaborated with ITC on several projects, the latest one being on the elaboration of the Trade Facilitation Implementation Plan.

This new project on the Trade Obstacle Alert Mechanism is a logical extension of the ITC project for Mauritius on Non Tariff Barriers which was based on a survey vis à vis the operators conducted in 2012.
Ladies and Gentlemen

The vision of Government is to position Mauritius as a business hub for the region and to firmly establish increased trade and investment flows as engines of growth of our economy.

To that end substantial progress has already been made to streamline business and trade procedures and to eliminate burdensome administrative hurdles. The promulgation of the 2006 Business Facilitation Act, elimination of some 26 licenses in 2013 and removal of customs duties on some 87% of tariff lines are but some notable examples.

The simple average tariff in Mauritius is at par with most developed countries at 1.95 % while trade weighted tariff stands at 1%.

A number of trade facilitation measures are also being implemented, which have contributed to improving trade competitiveness such as:

- Paperless customs whereby hard copies of declarations and trade related documents are no longer required to be submitted. Scanned copies of specified documents are sent electronically.

- Payment and clearance status is provided via SMS to importers and exporters.

- An e-payment system and e-certificate of origin system is operational.
• A fast track system for qualified stakeholders is operational as well as an automatic green channel

• The Customs Management System has been re-engineered to allow processing of declarations per container or bulk item instead of whole consignment

• An online tracking system is being implemented which gives greater autonomy to Free Port Developers. Transshipment procedures have been streamlined

Mauritius is also the first country in Africa to have submitted its WTO Trade facilitation notification, thus showing its resolve to implement the Agreement concluded in Bali at the 9th WTO Ministerial Conference.

The results of these initiative are best reflected in the various international and regional rankings of Mauritius.

Mauritius ranks 29th globally (out of 138 countries) in terms of trade facilitation and remains the best performer in Africa according to the Enabling Trade Report 2014 (World Economic Forum, 2014). The country scores highly in terms of market access, availability and quality of transport infrastructure and the operating environment.

The World Bank Ease of Doing Business Report 2014 has further ranked Mauritius 20th the most attractive place to do business worldwide compared to 29th in 2008.
While we have travelled a long way already in improving the business environment, the momentum has to be maintained until Mauritius is positioned among the top performers and becomes one of the most attractive and uncontested business platforms, especially for Africa. For this to happen, the right synergy needs to be created between policy makers and stakeholders.

One such framework has been created in the form of the coherence and coordination committee which provides for a more synergetic approach towards the African continent.

What is now needed is an interactive process which is aimed at facilitating broad based consultations on Government policies, including on new laws and regulations. The Trade Obstacle Alert Mechanism which is intended to be operated using our Trade Portal platform would allow:

- Taking stock of and addressing obstacles to trade and investment as they arise
- Improving transparency in the decision making process
- Ensuring an all inclusive approach towards problem solving
- Improving public and private sector dialogue as well as promoting inter agency dialogue

It to be noted that the Trade Obstacle Alert Mechanism developed by ITC is already a success in Cote d’Ivoire and has helped to resolve about 25% of obstacles reported by the business operators. We believe, that once
successfully implemented in Mauritius, the model could be replicated in other countries of the region.

**Ladies and Gentlemen**

We need to revisit our legislative framework for trade and investment, eliminate outdated and deliver better regulations to promote trade and investment. There is a need to constantly explore ways and means in consultation with the private sector in which the regulatory environment can be strengthen to create business opportunities.

The building up of trade and encouraging investment is vital for development but it depends on confidence and collaboration, confidence of entrepreneurs and business leaders, the confidence of investors and consumers. To build such confidence we need to develop the interactive platform to exchange ideas and to act on the confidence expressed by all these important actors. The Trade Obstacle Alert Mechanism will provide such a platform.

This mechanism will only deliver if all the agencies concerned with implementation of trade and investment related policies participate effectively in the mechanism. Some of the important agencies without whose collaboration the system will not deliver are Ministry of Finance and Economic Development, MRA Customs, Ministry of Industry, Commerce and Consumer Protection, Ministry of Agro-Industry and Food Security, Ministry of Health and Quality of Life, Ministry of Environment and Sustainable Development, Ministry of Public Infrastructure, National Development Unit, Land Transport and Shipping. We look forward to working with them to ensure the success of the Alert Mechanism. The presence of the ITC team in
Mauritius is an opportunity to seek the necessary clarification on how the system will operate and on the role of each of the agency concerned.

To ensure that the Mechanism is jointly operated by the public and the private sector, the Mauritius Chamber of Commerce and Industry will act as the focal point to receive Alert from the operators to be subsequently chanelled to the Government Agencies. It will also coordinate proposals from the private sector on better regulations to improve trade and investment opportunities and receive comments on proposed regulations through the Trade Alert System.

We are therefore embarking on a new ITC driven platform to improve public-private sector coordination and address business obstacles. Success will depend on our determination to ensure that the system works. We need to have this determination.

With these words, I declare the workshop open.