

INTERNATIONAL



TRADE

Trade News Digest

INTERNATIONAL TRADE DIVISION
MINISTRY OF FOREIGN AFFAIRS, REGIONAL
INTEGRATION AND INTERNATIONAL
TRADE

Issue 51

July 2018

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5th Round of India-Mauritius Comprehensive Economic Cooperation Partnership Agreement (CECPA)

Mauritius and India are currently negotiating a Comprehensive Economic Cooperation and Partnership Agreement (CECPA).

So far, there have been 5 rounds of negotiations. The last round was held in Mauritius on 09-11 July, 2018.

The Indian delegation was led by Shri Manoj Kumar Dwivedi, Joint Secretary, Department of Commerce while the lead negotiator of the Mauritian delegation was Mr N. Boodhoo, Director, Trade Policy, Ministry of Foreign Affairs, Regional Integration and International Trade.

The objectives of the 5th round were to finalise the trade in goods text, including text on sanitary and phyto sanitary measures, technical barriers to trade, as well as the Economic Cooperation chapter. The discussions were focused on preferential access for products of export interest to both countries.



The meeting was kicked off by the Minister of Foreign Affairs, Regional Integration and International Trade, Honourable Minister Seetanah Lutchmeenaraidoo. In his speech, he made mention of the unique ties that connect both countries and the synergies that could be developed through the CECPA. He underlined the possibility of using Mauritius as a connecting link to Africa whereby Mauritian and Indian companies can team up to invest in Africa.

The Honourable Minister also highlighted that Mauritius is a transparent jurisdiction. He underscored all the measures taken by Mauritius, including the:

- signing and implementation of the Foreign Accounts Tax Compliance Act (FATCA) with the US;

- adoption of the Common Reporting Standard (CRS) on the automatic exchange of tax and financial information on a global level, which the OECD developed in 2014;
- Mauritius is endorsed by the EU for not being in the ‘European Union list of non-cooperative jurisdictions

He encouraged both sides to work together for an early conclusion of the CECPA and indicated the possibility of the Honourable Prime Minister signing the CECPA in January 2019 during his visit in India.



For his part, Mr Manoj Kuwar Dwivedi, highlighted that both Mauritius and India are exploring bilateral opportunities which will be beneficial for both countries in terms of trade in goods and services. He pointed out that the two countries have their strengths and they will open avenues of opportunities for liberal trade relations. On one side, Mauritius will learn from a big consumer economy like India and on the other hand, India will use Mauritius as a platform to reach out to French Speaking African countries for investment.

Discussions were held in parallel sessions, namely on the Trade in Goods, Trade in Services and Economic Cooperation. Substantial progress was noted in the CECPA talks, in particular on the FTA framework text and the Rules of origin.

It is expected that the CECPA will provide a new dimension to the trading relationship between both countries. The aim of both sides are to complete the negotiations by the end of 2018 so that it becomes operational early next year, with the possibility of having early harvest in areas where agreement has already been reached.

The next round of CECPA has tentatively been scheduled for August 2018 in New Delhi, India.

2nd Round of China-Mauritius Free Trade Agreement Negotiations



The 2nd Mauritius-China Joint meeting on the FTA was held on 24-26 June 2018 in Beijing.

In order to pave the way for conclusion of the negotiations on the Free Trade Agreement, hopefully by the end of this year, it was agreed to accelerate the



negotiations process with a view to achieving a breakthrough as early as possible.

There was significant progress in the main pillars under negotiations, namely, Trade in goods, Trade in Services and Economic Cooperation. The Chinese side submitted a generous market access offer for Trade in Goods. The rules of origin for textiles and garments is single transformation which is a flexible rule that will allow Mauritius to manufacture textiles and apparel for exports to China from imported fabrics.

Extensive discussions were held on the issue of sugar, which is sensitive to both countries. Mauritius reiterated that its request for market access in China for special sugar was targeted at a niche clientele and further negotiations will be held on the matter in subsequent rounds of negotiations.

The next joint meeting is tentatively scheduled for mid-August to clear all pending issues under the FTA.

African Continental Free Trade Area - 6th Meeting of the African Ministers of Trade (AMoT)

The 6th Meeting of the African Ministers of Trade (AMoT) was held on 03-04 June 2018 in Dakar, Senegal. The meeting was held back to back with the 6th Meeting of the Senior Trade Officials (STO) and the 11th Meeting of the Negotiating Forum (NF) from

25th May to 06th June 2018. Several issues were considered by the AMoT, namely:

- Priority sectors for Trade in Services and regulatory frameworks
- Outstanding issues on Modalities for Tariff Liberalisation (Trade in Goods)
- Adoption of legally scrubbed Annexes and Appendices to the Protocols



Regarding the Trade in Services, it was already agreed at the July 2017 AU Summit that a hybrid approach with GATS-type scheduling of specific commitments and regulatory cooperation would be adopted. At its 6th meeting, the African Ministers of Trade have agreed that the five (5) service sectors to be prioritised for negotiations would include (i) transport, (ii) communication, (iii) financial, (iv) tourism and (v) business services. Furthermore, the negotiations would be based on the principles of variable geometry and reciprocity, whereby Member States wishing to liberalise more sectors than the chosen five priorities are encouraged to do so. With regards to the development of the regulatory framework, it has been agreed that this would be done at a later stage once the schedules of specific commitments have been finalised.



Regarding the exclusion and sensitive list of products, Ministers took note of the three proposals made, namely:

- i. 3% for exclusion and 7% for sensitive;
- ii. 5% for exclusion and 5% for sensitive; and
- iii. 1% as Exclusion List and 9% for Sensitive Products. These will be considered at a later stage after national and regional consultations have taken place.

The AMOT further considered the Annexes to the Protocol on Goods and the Annexes to the Protocol on the Rules and Procedures on the Settlement of Disputes and recommended same for adoption at the 31st AU Summit to be held on 01-02 July 2018 in Mauritania.

Deepening of the Interim Economic Partnership Agreement with the EU

The first meeting of the joint scoping exercise on the deepening of the IEPA between the European Union and the 5 Eastern & Southern African States was held on 19-20 June 2018 in Harare, Zimbabwe.

The objective of the meeting was to exchange views on possible areas for the deepening of the IEPA and which would constitute the basis for the scoping paper.



There was convergence on most of the areas identified for negotiations. The meeting examined the papers and both sides agreed on 13 key areas for negotiations. These include: (1) Trade in Services and Investment, (2) Review of Rules of Origin, (3) Trade Facilitation and Customs Cooperation, (4) Agriculture, (5) Export Taxes, (6) Sanitary & Phytosanitary Measures, (7) Technical Barriers to Trade, (8) Intellectual Property Rights, (9) Competition Policy, (10) Sustainable Development, (11) Transparency in Government Procurement, (12) Dispute Settlement, (13) Review of the Institutional arrangement to include Ministerial meetings and possible sub committees.

The next meeting is scheduled in November 2018 to agree on the scoping paper and launch the negotiations.

SADC Regional Competition Policy Programme

At the 9th meeting of the SADC Competition and Consumer Law and Policy Committee (the ‘Committee’) held in June 2018, Mauritius made a proposal regarding the establishment of a competition framework and policy for the SADC region. The rationale behind this proposal is to design an appropriate legal framework on Competition which will ensure that the regional market operates efficiently and that Members do not have recourse to

anti-competitive business practices and other business restrictive practices.

The proposal made by Mauritius has been favourably welcomed and the Committee has expressed strong support for engaging more effectively in the development of a competition and consumer protection law and policy for the SADC region. It is to be noted that competition policy has been projected as an integral part of the SADC Industrialisation Strategy and Roadmap for the period 2015 – 2063.



In recognition of the fact that the development of a regional competition law at SADC level is however a long-term project, the SADC Strategic Plan sets out a progressive timeline for strengthening regional cooperation among the SADC member states as a first step. The Committee is in the process of constituting a team of experts from SADC competition and consumer agencies to undertake a review of the SADC Regional Cooperation Framework on Competition Laws and Policies. Mauritius strongly supports this initiative and encourages other Member States to contribute positively towards the realization of the Regional Competition Policy for the ultimate benefit of the region as a whole.

Mauritius hosts WTO Regional Trade Policy Course



The World Trade Organisation's Regional Trade Policy Course (WTO-RTPC) for African countries was held on 14th May to 6th July 2018 at Ebene, Mauritius. This 8-week course was organised by the WTO in collaboration with the UoM's Faculty of Law and Management following a selection process to identify a partner institution for the course. The course has been recently run in several countries around the world including Thailand, Ecuador, Kazakhstan and the last editions for the African English speaking members were held in Botswana.

The objective of the course is to enhance the human and institutional capacities of the African countries that are members of WTO or in the accession stage to take full advantage of the rules-based multilateral trading system and to deal with the emerging challenges that are facing the complex WTO trade negotiations.

In his address, the Director of the International Trade Division of the Ministry of Foreign Affairs, Regional Integration and International Trade, emphasised the importance of trade and also the necessity to understand the role and contribution of the WTO in ensuring the creation of favourable conditions at the international level for trade to evolve. It was observed that the world was facing numerous challenges, more specifically in the trade arena. One such challenge pertained to the trade war, which is now taking center stage and which will lead to an uncertain trading environment and to trade tensions. The African continent was giving a lesson to the world through the establishment of the Continental Free Trade Area (CFTA).

Participating countries to the RTPC were: Botswana, Egypt, Ethiopia, Ghana, Kenya, Malawi, Mauritius, Namibia, Nigeria, Seychelles, South Africa, Tanzania, Uganda, Zambia and Zimbabwe.



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