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10th Extraordinary Session of the Assembly of the African Union on African Continental Free Trade Agreement (AfCFTA) held in Kigali

At the 10th Extraordinary Assembly of the African Union held in Kigali, Rwanda, on the 21st March 2018, out of 55 Member States of the African Union, 44 Member States, including all Island States, signed the Agreement Establishing the African Continental Free Trade Area, the Protocol on Trade in Goods, the Protocol on Trade in Services and the Protocol on Rules and Procedures on the Settlement of Disputes.

The Assembly further agreed that the AfCFTA and its Protocols would enter into force 30 days after the deposit of the 22nd instrument of ratification.

The AfCFTA will remove barriers to trade, like tariffs and non-tariff barriers, allowing the free flow of goods and services between Member States which will contribute to boost trade, employment and growth. Currently Africa trades far less with itself than it does with the rest of the world. Intra-African trade stands at about 16%, compared with 19% intra-regional trade in Latin America, 51% in Asia, 54% in North America and 70% in Europe. The United Nations Economic for Africa (UNECA) estimates that if all 55 Member States of the AU ratify the Agreement, the AfCFTA could have the potential to boost intra-Africa trade by 53% and bring together 1.2 billion people with a combined gross domestic product (GDP) of more than 2.5 trillion US Dollars.

The AfCFTA is considered very important for Mauritius as it will enable our operators to have better market access opportunities on the Western, Northern and Central Africa regions since so far we do not have any preferential trade agreement with these regions

The 10th Extraordinary Assembly also directed the AU Ministers responsible for Trade to:

- submit the Annexes to the Protocol on Trade in Goods, Annexes to the Protocol on the Rules and Procedures on the Settlement of Disputes, and the List of Priority Sectors in Trade in Services to the next Ordinary Session of the Assembly in July 2018 for adoption;
- submit the Schedules of Tariff Concessions, and Schedules of Specific Commitments on Trade in Services in line with agreed modalities to the January 2019 Assembly for adoption;
- conclude the negotiations on Competition Policy, Investment and Intellectual Property Rights, and submit the draft legal texts to the January 2020 Assembly for adoption through the Specialised Technical Committee on Justice and Legal Affairs.



Mauritius-China Free Trade Agreement: First round of negotiations



The first round of negotiations between Mauritius and China on the Free Trade Agreement (FTA) was held from 02 – 03 April 2018, in Mauritius.

The Chinese delegation was led by Mr Hu Yingzhi, Deputy Director General of the Ministry of Commerce of the People’s Republic of China, while the Mauritian delegation was headed by Mr Narainduth Boodhoo, Director – Trade Policy, Ministry of Foreign Affairs, Regional Integration and International Trade.

The objective of the meeting was to initiate discussions on the text of the FTA on the basis of joint proposals made by both sides, and further agree on modalities for future work.

In her opening remarks, Ambassador U C Dwarka Canabady, Secretary for Foreign Affairs explained that China is currently the third largest trading partner of Mauritius. Exports of China to Mauritius amounted USD 850 million in 2015, while Mauritian exports to China stood at USD 13 million. Ambassador U C Dwarka Canabady expressed the wish that “the FTA should contribute to close this huge trade gap”.

Mr Narainduth Boodhoo stated that Mauritius has a number of very strong Government-to-Government

agreements with other African countries. In this context, he highlighted the possibility for Mauritius and China to partner and maximize opportunities under such Agreements.

According to the head of the Chinese delegation, Mr Hu Yingzhi, negotiations between Mauritius and China “are based on the great potential for development for both countries”. He pointed out that Mauritius is the first African country negotiating a FTA with China.

Mauritius and China agreed that the FTA would cover “Trade in goods”, “Trade in services and investment” and “Economic and Technical Cooperation”.



Strengthening Export Competitiveness for inclusive growth in Mauritius, especially in the context of the i-EPA Implementation



Mauritius benefitted from technical assistance under the TradeCom II Programme, funded by the EU for the project entitled “Strengthening Export Competitiveness for inclusive growth in Mauritius, especially in the context of the i-EPA Implementation”. The project started in August 2017 and ended in March 2018.

The main objectives of the project were to: (i) Enhance the business environment for Exporting SMEs; and (ii) Promote exports of the Mauritius private sector including SMEs, Women and Young Entrepreneurs



- The main activities under this project were as follows:
- Strengthening the capacity of women and youth on i-EPA SPS and TBT Standards in Mauritius;
 - Developing a guide on “Managing Quality in Mauritius” to sensitize stakeholders on quality, standards and technical regulations, SPS and the related-services available in Mauritius;
 - Upgrading the Business intelligence capacities through the strengthening of the monitoring cell covering national and regional needs as well as provide assistance in the setting up a European Business Information Centre (EBIC);
 - Deliver business development and export marketing services for enterprises including women-owned businesses;
 - Organising a multi-stakeholder consultation on the opportunities and benefits of the i-EPA; and
 - Developing an awareness programme for the business community

The activities were implemented by a team of 5 consultants from the Landell Mills Ltd. 32 Small and Medium Enterprises, involved in various economic sectors such as textile and agro-based industry were selected as beneficiaries of the project, following a selection process based on a set of criteria determined in collaboration with the local stakeholders. During the implementation phase, these 32 SMEs benefitted from, inter alia, individual coaching session in the area of marketing and business development.

In February 2018, a first workshop was organised for the SMEs in the area of Quality Standards with the aim to sensitise business owners on the importance of quality management in preparing their export strategies. Furthermore, as part of the activities under the project, a manual on the Rules of origin was developed for the Medium, Small and Micro Enterprises in Mauritius to help them export on the European Market and regional market such as SADC and COMESA.

In this context, a final workshop was organised by the Ministry on 08-09 March 2018 at le Meridien Hotel, Pointe aux Piments. SMEs present had the opportunity to seek clarifications on various issues such as accessing to finance/grants and also share their experience in terms of exporting on the different markets.

Comprehensive Economic Cooperation and Partnership Agreement (CECPA) with India



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

It is expected that the CECPA will provide a new dimension to the trading relationship between both countries. It is expected that negotiations will be completed by the end of 2018 so that it becomes operational early next year.

So far, there have been 3 rounds of negotiations. The last round was held on 22-24 February, 2018 in Mauritius. Discussions are currently focused on:

- the finalization of the Joint Study report which provide the basis for negotiating the CECPA; and
- text based negotiations including Trade in goods, Trade in Services, Economic Cooperation and Investment.

On 1st March 2018, a brainstorming session was organised by the Economic Development Board of Mauritius. The objective of the session was, inter alia, to update participants on the CECPA negotiations, identify areas of collaboration with India and ways of reaping benefits from a triangular cooperation India-Mauritius-Africa for cross border investment and trade in Africa.

Emphasis was laid on the following issues:

- Enhanced access to key products such as garments, rum, special sugar and pharmaceutical products.
- Ways to enhance trade in services through collaboration with India in sectors such as banking, insurance, asset management, professional services (such as accountants, engineers, architects), distribution services, ICT amongst others.
- Economic cooperation with India in areas such as setting up of a research & development village, building and launching of a nanosatellite, modernization of SMEs, intelligence building for robotics, film production, renewable energy, ICT, and support in the creation of the pharmaceutical village.
- Setting up of a Special Economic Zone in Mauritius to provide appropriate framework/incentives to Indian businesses to come to Mauritius to invest and manufacture particularly pharmaceutical products and technology intensive products for exports to India and its neighboring countries as well as service the African market.

The next round of the CECPA negotiations would be held from 17 to 19 April 2018 in New Delhi, India.

Intellectual Property and Branding Project

Branding strategy for hand-made/hand-sculptured Dodos, special sugar and rum



The Ministry of Foreign Affairs, Regional Integration and International Trade (International Trade Division) is currently developing, with the support of the World Intellectual Property Organization (WIPO), a branding strategy for hand-made and hand-sculptured Dodos, special sugar and rum.

Once implemented, the value of the identified products will increase and the country will generate added revenue besides creating a brand name. The branding strategy will capture the goodwill and reputation of Mauritian products on the international market.

A national stakeholder workshop on branding strategies for origin-based products was held in March 2018, at Maritim Resort, Mauritius. Amongst others, the workshop agreed on the following focal institutions that will lead the branding project in their respective sectors:

- **Dodos:** SME Mauritius
- **Special Sugar:** Mauritius Sugar Syndicate
- **Rum:** Mauritius Chamber of Commerce and Industry (MCCI)

The Intellectual Property and Branding Project will be delivered in three phases. Phase 1 included an exploratory mission and meeting with relevant stakeholders. Phase II will span over six months and will focus on the development of the strategy, while Phase III will focus on the implementation of the strategy and the registration and use of brand, mainly by brand owners, with technical assistance of WIPO and government support.

This project, which is being sponsored by the Government of Japan under the Japan Trust for Africa and the LDC, will be subsequently expanded to cover other products of Mauritius.

SADC Trade in Services: 35th TNF Services Meeting, 19-23 March 2018, Johannesburg, South Africa



The SADC Protocol on Trade in Services was adopted in August 2012 and was ratified by Mauritius in September 2015. The Protocol on Trade in Services will enter into force after ratification by two-thirds of the SADC member States. As at date, seven Member States have ratified the Protocol on Trade in Services, namely Botswana, Lesotho, Mauritius, Mozambique, Seychelles, South Africa, and Swaziland. After ratification by 3 more Members, the Protocol will enter into force.

Six priority sectors were identified to kick start the trade in services negotiations namely, Financial Services, Communications, Tourism, Transport, Construction and

Energy-related services. These negotiations are expected to result in market access commitments that will provide a predictable legal environment for trade and investment in the sectors within the region.

The first round of negotiations focused on the first four priority sectors namely Communications, Financial, Tourism and Transport services. Most of the Member States have submitted an Offer in these four sectors. Negotiations are presently underway in the remaining two sectors namely, Construction and Energy-related services which are expected to be concluded by March 2018.

The 35th SADC TNF Services meeting was held on 19-23 March 2018 in Johannesburg, South Africa. It was preceded by a Workshop on Transport services on 15-16 March 2018, whose objective was to develop an Annex on Transport and Logistics that would include trade regulatory principles supporting Member States commitments in the transport services.

The objective of the TNF Services meeting was to finalise the legal scrubbing of Member States' Offers as well as the sectoral annexes, for endorsement by the next Committee of Ministers of Trade (CMT) meeting. The meeting also aimed to finalise negotiations on the two remaining priority sectors, namely Construction and Energy-related services thereby concluding Phase I negotiations.

The main outcomes of the meeting were the finalisation of the outstanding annexes namely the Annex on Financial Services, Communications and Substantial Business Operations as well as the completion of legal scrubbing of most of Member States' Offers. The TNF agreed to submit the Offers and the Annexes to the Committee of Ministers of Trade (CMT) for endorsement.

With regards to the Annex on Postal and Courier Services on which members had different positions, it was agreed that discussions would be pursued under Phase II of the negotiations.

Trade relations with Australia: Mauritius reiterates its proposal to have a CETCA



A Government-to-Government Senior Officials-level meeting was held on 05 April 2018, in Mauritius, in the margin of the Australia Week Festival celebrating the 50th Anniversary of the Independence of Mauritius.

The session was chaired by Ambassador U C Dwarka Canabady, Secretary for Foreign Affairs and Mrs Gita Camath, Assistant Secretary from the Australian Department of Foreign Affairs and Trade.

The Australian delegation comprised of Austrade Australia which was represented by its Trade Commissioner based in South Africa, Mr Kym Fullgrabe.

Mauritius reiterated its proposal to conclude a Comprehensive Economic, Trade and Cooperation Agreement (CETCA) to provide a solid foundation to the relationship between the two countries.

Mr Narainduth Boodhoo, Director – Trade Policy, Ministry of Foreign Affairs, Regional Integration and International Trade, explained that Mauritius and Australia share the same values in terms of openness and fight

against protectionism. He added that Australia could capitalize on our Africa Strategy and geographical location to avail of huge trade and investment opportunities on the African Continent.

Southern African Development Community (SADC) Parliamentary Forum

Workshop in relation to “Access to essential medicines within the intellectual property framework”

A capacity building workshop in relation to “Access to essential medicines (for HIV and other illnesses) within the intellectual property framework” was held last month, in Mauritius, in the context of the SADC Parliamentary Forum Sexual and Reproductive Health and Rights, HIV and AIDS Governance Project.

Internationally, access to affordable medicines is increasingly viewed as part and parcel of the human right to health, and as a component of the human right to life in cases of life-threatening ailments such as HIV. In the SADC region, it has been observed that access to affordable medicines remains a major challenge to both sexual and reproductive health services and the treatment of HIV and AIDS.

Access to medicines in Southern Africa is influenced by numerous factors which include availability of raw materials, place of production, packaging sites, cost of labour, cross-border duties and taxes, trade deficit, facilitation through international conventions, domestic intellectual property regimes and adherence to international agreements such as TRIPS (Trade-Related aspects of Intellectual Property Rights) which regulate intellectual property from a World Trade Organization perspective.

It is further observed that in the SADC region, intellectual property flexibilities and mechanisms such as compulsory licensing of patents for the treatment of HIV and AIDS is poorly understood and have been barely utilized.

Accelerated Program for Economic Integration (APEI) - World Bank Visit

A team from World Bank team visited Mauritius from 26 February to 02 March 2018 in the context of the APEI initiative. The World Bank team comprised of Alex Sienaert, John Keyser, Claire Hollweg and Thomas Buckley (Country Program Coordinator for Mauritius).

The main objectives of the mission were to advance the APEI Regional Business Plan discussions agreed upon at the Annual Meetings in Washington on 13 October 2017 and to examine potential bottlenecks to regional trade in agricultural commodities.

The team held various meetings with representatives of the public sector, private sector and port operators.



COMESA

Summit set to make History

The 20th COMESA Summit in Burundi is set to make history. COMESA membership is poised to rise from 19 to 21. Tunisia and Somalia are expected to join COMESA after having fulfilled the COMESA terms and conditions of accession to the COMESA Treaty.

Burundi - No Visas for COMESA Delegates to Summit

Burundi government will waive visa requirements for all delegates that will attend the 20th COMESA Summit scheduled to take place in the country in June this year.

Read more on
<http://www.comesa.int/summit2018/>

WTO

WTO issues panel report regarding Korean duties on pneumatic valves from Japan

On 12 April, the WTO circulated the panel report in the case brought by Japan in “Korea — Anti-Dumping Duties on Pneumatic Valves from Japan” (DS504).

WTO members appoint new chair of services negotiations

Ambassador Zhanar Aitzhanova of Kazakhstan has taken over as chair of the WTO services negotiations. Her appointment was confirmed at a meeting of the WTO’s Council for Trade in Services in Special Session on 9 April.

Read more on:
<https://www.wto.org/english/news e/news18 e/news18 e.htm>

European Commission

Safeguard investigation into steel products to prevent trade diversion into the EU

The European Commission today initiated a safeguard investigation on imports of a number of steel products into the EU.

Joint Statement on the launch of the African Continental Free Trade Area

The historic decision to launch the African Continental Free Trade Area (AfCFTA) taken on 21 March by the African Union at its Assembly in Kigali, represents a significant step towards deepening continental integration.

Read more on
<http://trade.ec.europa.eu/doclib/press/index.cfm?id=949>

International Trade Division

MINISTRY OF FOREIGN AFFAIRS, REGIONAL INTEGRATION AND INTERNATIONAL
TRADE

CONTACT DETAILS: motas@intnet.mu

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