

Trade News Digest

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MINISTRY OF FOREIGN AFFAIRS, REGIONAL
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African Regional Intellectual Property Organization (ARIPO) Mauritius is now a full member of ARIPO



The Republic of Mauritius is a full member of ARIPO as from 25 September 2020.

The Instrument of Accession of Mauritius to the ARIPO was handed over on 06 October 2020, to Mr. Fernando dos Santos, Director General of the ARIPO, by the High Commissioner of Mauritius in Maputo, Mozambique, H.E. Mr. Jean Pierre Jhumun.



The African Regional Intellectual Property Organization (ARIPO) (hereinafter referred to as "the Organization"), is an intergovernmental Organization that grants and administers Intellectual Property (IP) titles on behalf of its Member States and provides IP information to its clientele in the form of search services, publications and awareness creation. Membership of the organisation is open to all Member States of the African Union (AU) or of the United Nations Economic Commission for Africa (ECA).

The present members of the Organization are: Botswana, The Gambia, Ghana, Kenya, Lesotho, Liberia, Malawi, Mozambique, Namibia, Rwanda, Sao Tome and Principe, Sierra Leone, Somalia, Sudan, Swaziland, Uganda, United Republic of Tanzania, Zambia and Zimbabwe. (Total: 19 states)

The ARIPO Secretariat is based in Harare, Zimbabwe.

The handing over ceremony was held in presence Ms. Naciva Machavana Manjama, Information and Communication Director of the Industrial Property Institute of Mozambique and Mr. Vikash Singh Bisumbher, Second Secretary at the Mauritius Mission in Maputo.

Mauritius thanked the Director General of ARIPO for calling personally at the Mission to collect the document and for his continuous support throughout the accession process.

Mr. dos Santos said that ARIPO looks forward for a long term collaboration with Mauritius. ARIPO is an intergovernmental organisation that grants and administers intellectual property titles on behalf of its Member States and also provides intellectual property information in the form of search services, publications and awareness creation.

The accession of Mauritius to ARIPO would enable a better and more rapid service delivery by the Industrial Property Office – which falls under the aegis of the Ministry of Foreign Affairs, Regional Integration and International Trade – with respect to receipt and processing of applications for the grant of patents.

Mauritius would also gain in technological information which is available to ARIPO Member States for the purpose of facilitating the adaptation, transfer acquisition of appropriate technology, development of local research and the creation of indigenous technology (i.e. traditional knowledge).

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Update on the EU-UK Negotiations on the Future Relationship





The European Council Summit was held from 15 to 16 October 2020, with the current status of the EU-UK FTA negotiations high on the agenda.

In a statement released by the bloc, the EU leaders called on the UK to "make necessary moves to make an agreement possible" and to budge on their red lines to make a post-Brexit trade deal possible. They further indicated that they are prepared to "intensify" talks, but would not agree to a deal at "any price". They also authorised the EU chief negotiator, Michel Barnier, to continue talks until the end of October.

In a video statement to the EU Leaders at the end of the summit, the UK Prime Minister, Boris Johnson, said that the UK would be willing to embrace a no-deal exit at the end of the year unless the EU could offer to the UK a Canada-style free trade agreement. He also underlined that it would be pointless to resume talks without a



fundamental change in direction from the bloc. Thus, talks that was due in London in the week starting 19 October was cancelled.

It is to be recalled that the UK left the EU on 31 January 2020 and entered a post-Brexit 11-month transition period (ending 31 December 2020). Negotiators have since been trying to hammer out a trade deal to come into force when that runs out at the end of December.

It is to be underlined that the sticking points in the negotiations remain in three perennial areas, i.e. the level playing field on regulations, governance of any deal, and fisheries.

In the event of a no-deal, the UK will crash out of the single market and customs union on 31 December and trade under WTO terms. This would see tariffs applied on goods crossing the channel, pushing up the cost of imports and exports.

United Kingdom Trade Partnerships Programme (UKTPP)

Mauritius is benefitting from technical assistance under the United Kingdom Trade Partnerships Programme (UKTP). This project is funded by the UK Department for International Development and will run until 31 December 2022. It covers 24 ACP countries including Comoros, Madagascar, Mauritius and Seychelles. The technical assistance will be implemented by the International Trade Centre.

BACKGROUND

The United Kingdom Trade Partnerships Programme (UKTP) will support African, Caribbean and Pacific (ACP) countries to take advantage of the duty-free, quota-free access to EU and UK markets that they enjoy under Economic Partnership Agreements (EPAs). The programme will support ACP countries to effectively implement and maximise the benefits of the EPAs, promoting trade under the existing EU EPAs and in anticipation of the implementation of the replicated UK EPAs as the UK exits the EU.

GOALS

The UKTP aims to increase export flows from ACP countries to the UK and the EU, creating quality jobs in those countries in the long-term. This will be achieved by increasing awareness of firms and institutions on how to access the UK/EU markets and better identifying trade obstacles across all Official Development Assistance (ODA) eligible EPA countries. It will also build the capacity of targeted firms/products to export to UK/EU markets in selected pilots.



The UKTP aims at promoting trade between the African Caribbean and Pacific (ACP) countries and the UK under Economic Partnerships Agreements concluded by the UK.

A kick off meeting was held on 25 September 2020 with the ITC and local Stakeholders including from both private and public institutions. The British High Commission were represented by H. Excellency Ms Sally Harrison, Deputy High Commissioner and Ms H. Ah Pong, UK Trade and Investment Officer also present during the meeting.

Under the programme, several activities will be conducted aimed at boosting exports under the agreements by increasing awareness of firms and institutions on how to access the UK/EU markets and better identifying trade obstacles across eligible EPA countries. The programme is expected to involve:

- 1. Centralizing data on export procedures and entry requirements;
- 2. Capacity building of trade support institutions;
- 3. Conducting business surveys to identify bottlenecks faced by exporters to the EU and UK markets; and

4. Strengthening the trade obstacles alert mechanism to facilitate the monitoring and removal of trade barriers.

During the kick off meeting, both countries reiterated their commitment to strengthen their commercial relationship. It is to be noted that UK remains one of the most important markets for Mauritius.



Structured discussions on Investment Facilitation for development move into negotiating mode

Participants in the structured discussions on investment facilitation for development officially kick-started on <u>25 September 2020</u> formal negotiations to reach a multilateral agreement on this issue, as envisaged in the Joint Ministerial Statement on Investment Facilitation for Development launched at the 11th Ministerial Conference held in December 2017 in Buenos Aires and in the second Joint Statement on Investment Facilitation for Development issued on 22 November 2019. A second round of formal negotiations was also held on **8-9 October 2020**.



Members started to work on concrete drafting proposals for specific provisions based on the "informal consolidated text" that serves as a basis for the negotiations. During the two negotiating rounds of meetings, Members specifically considered Section II (Transparency of Investment Measures) and Section III (Streamlining and Speeding up Administrative Procedures and Requirements) of the informal consolidated text.

Two additional formal negotiating rounds are scheduled up to December 2020, with the possibility of adding inter-sessional meetings as needed. The coordinator announced that the first inter-sessional meeting will take place on 29 October to go through drafting suggestions he will put forward on elements of Section II (Transparency of Investment Measures) and Section III (Streamlining and Speeding Up Administrative Procedures and Requirements) of the informal consolidated text discussed so far.

Member-driven, transparent, inclusive and open to all WTO members, this joint initiative currently has the participation of **105 members**, up from the 70 that supported the Joint Ministerial Statement on Investment Facilitation for



Development launched at the 11th Ministerial Conference held in December 2017 in Buenos Aires.

The investment facilitation discussion is aimed at the setting up of a more transparent, efficient and investment-friendly business climate by making it easier for domestic and foreign investors to invest, conduct their day-to-day business and expand their existing investments.

The document under discussion contains a number of principles and good practices which are already being implemented in Mauritius, namely online publication of measures taken in respect of Investment Facilitation, submission of electronic applications, simplified procedures, reasonable time frame and fees for processing of applications, among others.

Mauritius has been actively involved in the discussions and formally joined the initiative in June 2020. The International Trade Division will participate in the negotiating meetings together with the Ministry of Finance, Economic Planning and Development, the Economic Development Board and our Mission in Geneva. The next negotiating rounds will be held on 9 - 10 November 2020, and on 7 - 8 December 2020.

WTO BRIEFING SESSION ON NON-VIOLATION AND SITUATION COMPLAINTS



This briefing session aimed at sharing information on the origin and application of non-violation and situation complaints in the WTO and in the context of the TRIPS Agreement.

Non-Violation and Situation Complaints

There are three types of complaints under Art. XXIII of the GATT:

- (i) Violation in cases of failure of another contracting party to carry out its obligations under the GATT;
- (ii) Non-Violation the application by another contracting party of any measure, whether or not it conflicts with the provisions of this Agreement, or(c)the existence of any other situation; and
- (iii) Situation the existence of any other situation

In general, disputes iat the WTO involve allegations that a country has violated an agreement or broken a commitment. But in some situations, a government can go to the Dispute Settlement Body even when an agreement has not been violated. This is called a non-violation



complaint. It is allowed if one government can show that it has been deprived of an expected benefit because of another government's action, or because of any other situation that exists.

Non-violation complaints would relate to the loss of benefits which Members would have derived from the improvement in their standards of living upon the imposition of measures by a certain Member. Moreover, the complainant should demonstrate that it has been negatively impacted by the measure applied by the other Member. The burden then shifts to the latter Member to provide presumption that this is not the case.

Report on measures to expedite access to COVID-19 goods and services



The WTO Secretariat has published a new information note on how WTO members have used trade measures to expedite access to critical medical goods and services as part of their responses to the COVID-19 pandemic.

Trade has played a key role in improving access to COVID-19 critical medical goods and services since the start of the pandemic. The shortages of medical personal protective equipment



encountered around the world in the early phase of the pandemic have eased, as production and trade have expanded to meet the unparalleled demand spike. Initial data for 41 countries indicates that trade in medical goods grew by 38.7% in the first half of 2020, although sourcing of certain products remains a challenge for some developing countries.

There is a wide range of trade-related measures that Members have employed, from temporary reductions or deferrals of duties, taxes and charges on COVID-19 critical medical supplies to simplified customs procedures and border clearance. The report also looks at intellectual property-related measures members have used to facilitate innovation in, and access to, COVID-19 related technologies, such as the use of compulsory or government-use licences, efforts to foster access to relevant patent databases, and steps to make it easier to exchange clinical trial data. It also examines how WTO members have acted to facilitate telemedicine the international movement of health workers.

Total No. of Measures		
363		
trade-facilitating	trade-restrictive	
198	165	

TRANSPARENCY ABOUT TRADE MESURES: Trade-Facilitating measures on the rise

In the early stages of the pandemic, several of the measures introduced by WTO members and observers restricted the free flow of trade, principally for exports. But, as of mid-May 2020, 57% of all COVID-19-related measures were trade-facilitating. Around 28% of the COVID-19-specific trade restrictions implemented by WTO members and observers had been repealed by mid-May.

Out of 363	Total No. of Measures	
Measures	related to Covid 19 (265)	
265 related to	trade-	trade-
Covid	facilitating	restrictive
Pandemic (i.e.	147	109
70%)		

DUTIES, TAXES AND CHARGES ELIMINATED OR DEFERRED

Twelve G2O economies reduced or deferred applied tariffs on a variety of critical COVID-19-related medical goods such as PPE, sanitizers, disinfectants, medical equipment and medicines/drugs (including temporary measure to reduce tariff of 16.6% duty on PPE). Six G20 members apply 0 per cent import duties on medicines.

An additional 28 non-G20 members (including Mauritius) also took action to eliminate or reduce tariffs and/or VAT across a wide range of products deemed to be essential to combat the COVID-19 pandemic, including pharmaceutical products and medical equipment.

New Zealand and Singapore, agreed to eliminate tariffs on protective equipment and other products on a permanent basis, as part of an initiative to ensure supply chain connectivity and remove blockages to trade for a list of essential products including medicines and medical and surgical equipment.

Canada waived tariffs and sales taxes on goods imported by or on behalf of public health agencies, hospitals and testing sites and first response organizations (e.g. police, fire and local civil defence groups, including medical response teams, retirement and nursing homes).

ENHANCED REGULATORY COOPERATION ON STANDARDS FOR TRADED GOODS



By late May 2020, about two-thirds of the 152 formal notifications and communications on COVID-19 trade-related measures received from WTO members and observers, including from G20 economies, were related to sanitary and phytosanitary (SPS) and technical barriers to trade (TBT) measures. Many of these measures aimed to streamline certification procedures and move towards more electronic/digital procedures, including electronic certification, to facilitate access to PPE and other medical equipment.

Some Members have eased requirements for products to be tested in a designated laboratory/body in the importing country and, instead, to accept test results from internationally accredited laboratories. This helped to save time without diminishing health protection.

Using information technology (IT) tools for remote conformity assessment is also a practice that has grown during the pandemic. Brazil for example adopted temporary and emergency changes to its conformity assessment procedures to allow for remote inspection (through videoconferencing and data transmission) and verification through documentary analysis, including for good manufacturing practices of pharmaceutical and medical devices.

USING INTELLECTUAL PROPERTY (IP) RIGHTS AND POLICY TOOLS TO FACILITATE INNOVATION IN AND ACCESS TO COVID-19-RELATED TECHNOLOGIES

IP rights – notably patents, know-how and clinical trial data – are a significant factor in facilitating access to existing technologies, and in supporting

the creation and dissemination of new technologies.

By end-July 2020, WTO trade monitoring activities recorded some 47 COVID-19-related measures regarding trade-related IP rights taken by 24 members. A number of these measures were aimed at facilitating innovation or access to COVID-19-related with respect health technologies, while others eased certain procedural requirements or deadlines for administrative matters.

Some aimed to use flexibilities within the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) that provide wide latitude for governments to take action to protect public health, covering policies such as compulsory licensing (including for export to countries that lack sufficient pharmaceutical manufacturing capacity) and government use, as well as exceptions to patent rights for research and experimental use.

Other measures relating to IPR include:

- Launching databases specific to COVID-19 patent information
- Tailoring database search facilities on COVID-19-related patents
- Releasing the drug approval status and patent information for 52 potential medications for combatting COVID-19, e.g. in Chinese Taipei.
- Making freely available copyrightprotected standards with respect to certain health technologies

- Expedited patent examination procedures for applications related to technology to prevent or treat COVID-19
- Guidance or support for IP offices or trademark registration applications
- IP office measures to ease procedural requirements, deadline or fees
- E-signature (Thailand) or acceptance of plant patent applications through electronic filing systems (United States).
- The granting of compulsory or government use licences under Article 31 of the TRIPS Agreement to allow the manufacturing or import of patent-protected health technologies such as medicines, vaccines and diagnostics needed to combat COVID-19. For example, Israel granted a government use licence in March 2020 to import generic lopinavir/ritonavir from India.

MEASURES TO IMPROVE ACCESS TO COVID-19-CRITICAL MEDICAL SERVICES

Members have also reviewed regulations and cooperated in the area of trade in services so as to facilitate access to COVID-19-relevant medical services. Two areas of particular relevance here are the facilitation of the international movement of health workers and the facilitation of telemedicine.

Given the urgency to respond to shortages of health workers, Members made an effort to ease the movement of health workers can facilitate the supply of such services on short notice. For example:

- In Malta, live-in carers and healthcare professionals whose permits were soon to expire in March 2020 were allowed to seek three-month extensions of their permits.
- In the United Kingdom, visas for doctors, nurses and paramedical personnel that are due to expire before 1 October 2020 are to be automatically extended for one year, free of charge. This also extends to the family members of these personnel.
- There has been an increase in the use of ehealth and, in particular, telemedicine.
 Some governments are reviewing laws and regulations to facilitate these types of services on a provisional basis, including:
 - On exceptional and temporary basis, the use of telemedicine for medical services, including medical consultation and digital medicine prescription;
 - South Africa facilitated help healthcare providers purchase telecommunications, broadband connectivity and devices necessary for providing telehealth services.
 - Allowing the use of video or phone calls by doctors and therapists to treat patients. Previously, such services were essentially for cases where there was already an established practitioner-patient relationship.
 - to ensure that effective healthrelated information can be transmitted to and from rural areas,

Kenya fast-tracked the issuance of an operating licence to a company to extend the availability of WiFi to remote locations.

Full report can be accessed at: https://www.wto.org/english/tratop_e/covid19_e/services_report_1609202 0 e.pdf

Technical Assistance to develop Mauritius' AfCFTA National Implementation Strategy



The Ministry of Foreign Affairs, Regional Integration and International Trade (MOFA) held a national consultative meeting on Thursday 15 October 2020 with main stakeholders both from the public and private sector regarding the development of the country's African Continental Free Trade Area (AfCFTA) national implementation strategy. This strategy is being developed with support from the United Nations Economic Commission for Africa (ECA).

The strategy is expected to:

 provide guidance on how Mauritius could enhance economic diversification and maximise trade in goods and services, including in markets not yet explored;

- boost investment potential through an assessment of comparative advantages and investigate value chains development at the regional and continental level;
- account for issues pertaining to investment, intellectual property rights, competition policy and e-commerce; and
- mainstream cross cutting issues such as gender, environmental and climate change mitigation and digital technologies.

The International Economics Consulting Ltd., has been appointed to assist Mauritius in developing the strategy.

As of date fifty-four African Member States have signed the AfCFTA agreement and thirty countries have ratified it. Mauritius became the fifth country in the Southern African Development community (SADC) to have ratified the agreement in September 2019. The agreement, once operational, will be the world's largest by number of participating countries. It will be a market of 1.2 billion people with a combined gross domestic product of US\$2.5 trillion. It will also constitute a significant milestone towards the realization of the African Union's Agenda 2063 for the socioeconomic transformation of the continent.

The AfCFTA is being negotiated in three phases:

- Phase I covering the liberalisation of trade in goods and services, and a framework for dispute settlement. The protocol on trade in goods seeks the elimination of tariffs on at least 90 per cent of product categories (within 5 years) and includes annexes on

tariff concessions, rules of origin, customs cooperation, trade facilitation, non-tariff barriers (NTBs), technical barriers to trade, sanitary and phytosanitary measures, and transit and trade remedies. The protocol on trade in services will be liberalised progressively, giving priority to the following five sectors: business and professional services, transport, tourism, financial services and communication services.

- Phase II covering negotiations related to the protocols on competition policy, investment and intellectual property rights.
- Phase III covering e-commerce.

Several studies have assessed the benefits that the AfCFTA is expected to bring to Africa. ECA indicates that the sole removal of tariffs on goods can increase the value of intra-African trade by 15 to 25 per cent depending on the degree of liberalisation efforts by 2040, compared to a situation with no AfCFTA in place. These benefits are estimated to be larger still if trade in services are liberalized and non-tariff barriers to trade on the continent are removed.

A prerequisite to reap the expected benefits from the AfCFTA agreement is its domestication, that is translating the agreement to a national context. The process of domesticating the AfCFTA agreement starts with building a national consensus with interest groups understanding what is at stake while state parties take actions to align their national strategies and undertake necessary policy reforms to better leverage the opportunities offered by the agreement.

This national consultative meeting on October 15th was a first step towards the domestication of the AfCFTA agreement in Mauritius.

11th meeting of the African Ministers of Trade

Trade under African Continental Free Trade Area (AfCFTA) is expected to start on 01 January 2020.

The 11th meeting of the African Ministers of Trade (AMOT) was held virtually on 30th September 2020. At the meeting, Ministers:

- reaffirmed their commitment to comply with the Heads of State and Government's direction to start preferential trade under the AfCFTA by 1st January 2021;
- recognised the importance of ratification by AU Member States to enhance inclusiveness in preferential trade under the AfCFTA, and therefore encouraged members to ratify the Agreement;
- iii. recognised that tariff offers with corresponding and agreed RoO would determine the level of preferential trade on 1st January 2021;
- iv. considered all possible proposals including that, in the event that all outstanding RoO are not agreed by the time of holding of the Extra-Ordinary Summit scheduled for the 05th December 2020, preferential trade commences on those products where there are agreed RoO and agreed tariff offers in January 2021;
- v. agreed to a roadmap to advance works for the preparation of the start of trade by 01st January 2021; and



vi. urged Member States who have not yet submitted their market access offers in the five priority services sectors to do so by 30th October 2020.

So far, only twelve (12) Member States have submitted their tariff offers covering 90% tariff lines, namely Egypt, Mauritius, Madagascar, Seychelles, Sao Tome, Malawi, Gabon, Cameroon, Central African Republic, Chad, Republic of Congo and Equatorial Guinea.

Regarding Trade in Services, ten (10) AU Member States, namely Democratic Republic of Congo, Comoros, Egypt, Eswatini, Mauritius, Madagascar, Namibia, Seychelles, South Africa and Zambia have submitted their initial market access offers in the identified five priority sectors, i.e. Business Services, Communication Services, Tourism Services, Financial Services and Transport Services. Mauritius submitted its market access offer in these sectors in May 2020.

With the view to conclude outstanding issues, a roadmap has been adopted by the African Ministers of Trade. In this regard, a series of meeting are being held to finalise outstanding issues.

The next ministerial meeting will be held on **28 October** to take stock on the progress on the rules of origin and market access offers for both goods and services.

Accession of Tunisia to COMESA FTA



The accession of Tunisia to COMESA was ratified by the COMESA Council in July 2018. In 2019 Tunisia indicated that it would join the FTA at 100% tariff liberalization. In March 2020, Tunisia deposited all required legal instruments for its accession to the COMESA FTA and circulated specimen signatures and stamp impressions for authorised signatories to the COMESA Secretariat.

Tunisia produces mainly agricultural products such as Olives, olive oil, grain, tomatoes, citrus fruit, sugar beets, dates, almonds; beef, dairy products. However, petroleum, mining (particularly phosphate, iron ore), tourism, textiles, footwear, agribusiness and beverages are also important sectors.

The textiles and electrical equipment industries have strong value chain linkages. Tunisia has succeeded to enter new value chains in the aerospace industry in the past decade. As with Tunisia's broader trade profile, more than three-quarters of the country's exports are primarily for the EU market. The two largest export categories are apparel and electric components. Textile and apparel exports are largely directed to France and Italy.

The country has undertaken a progressive trade liberalisation and is part of more than 60 trade agreements with strong trading linkages with the EU. Tariff duties have been simplified and decreased between 2006 and 2016, with the average applied tariff on manufactured goods declining from 20 to 10 per cent. In addition to COMESA, Tunisia has free trade agreements with the EU, Turkey, the Agadir group and Pan-Arab countries, and with the entire African continent through recent ratification of the African Continental agreement.

Mauritius – Tunisia trade relations

Mauritius imports mainly fresh dates, plasters, tomatoes, olive oil, TV apparatuses, denim textiles, men's trousers, leather, women's swimwear, men's shirts etc from Tunisia. However with the COMESA FTA membership, Tunisia may substantially increase exports to Mauritius.

In this context, an assessment is being made to gauge the possible impact following which Mauritius would engage bi-laterally with Tunisia on possible remedial actions.

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