

INTERNATIONAL



TRADE

# Trade News Digest

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## 6<sup>th</sup> Round of Technical Negotiations between the EU and Five Eastern and Southern Africa (ESA) Countries for the Deepening of the currently implemented Economic Partnership Agreement



The European Union (EU) and the five Eastern and Southern African countries (Comoros, Madagascar, Mauritius, Seychelles and Zimbabwe) which are currently implementing the interim Economic

Partnership Agreement (iEPA) met virtually from 22 to 26 November to hold the sixth negotiating round for the deepening of this agreement.

The negotiations were co-chaired by Mr Thanos Rammos from DG Trade and Mr Narainduth Boodhoo, Director, Trade Policy for the ESA-5. Negotiations were held in parallel sessions on 8 issues namely: Agriculture, Economic Development Cooperation/ Means of Implementation (EDC/MOI), Intellectual Property Rights (IPR), Transparency in Public Procurement (PP), Technical Barriers to Trade (TBT), Sanitary Phyto-Sanitary Measures (SPS), Rules of Origin (ROO), and Trade and Sustainable Development (TSD).

Good progress was noted on several issues, namely on SPS, ROO, and TSD. Some areas of negotiations such as Agriculture, Economic Development Cooperation, and Transparency in Public Procurement would require further discussions to close gaps in the positions of the Parties.

A summary of the outcome of the discussions held between both sides on the above-mentioned issues are as follows:

#### **I. Technical Barriers to Trade**

Constructive exchange was held on the Articles dealing with Conformity Assessment, Technical Assistance, Marking and Labelling, Private Standards and Chapter Coordinator.

It was agreed to address concerns raised during this round of negotiations and revert at the next round.

## **II. Rules of Origin**

On Rules of Origin, the Parties discussed a comparative matrix covering both the ESA and EU proposals on Product Specific Rules (PSR) and the main text of the Protocol 1.



Discussions on PSR allowed progress on the rules to be applied on several products including chemicals, articles of steel, aluminum, and jewellery, amongst others. The Parties also cleared several provisions relating to custom procedures in the main text of the Protocol 1.

## **III. Trade and Sustainable Development**

Discussions were held on the Articles of the draft EU-ESA-5 TSD text that dealt with the General Provisions, Labour, Climate, and Environment.

Good progress was made on the objectives and scope of the TSD chapter, core labour standards, the effective implementation of multilateral environmental agreements, biodiversity, and trade and gender. The ESA 5 emphasized that the level of ambition of the



*Convergence was noted on Trademarks and Industrial Designs. The ESA-5 indicated that it will need targeted technical and financial assistance from the EU, for GIs.*

text was conditional to the EU providing adequate financial and technical support to implement the commitments.

#### **IV. Intellectual Property Rights**

Convergence was noted on Trademarks and Industrial Designs. On GIs, the ESA-5 indicated that it will need targeted technical and financial assistance from the EU to put in place the prerequisites particularly in terms of development and implementation of relevant GIs and also the institution to process applications and make assessments of products in ESA-5 that could qualify for GIs. Both sides agreed to initiate text-based discussions at the next round of negotiations.

#### **V. Sanitary and Phyto-sanitary Measures**

With the exception of issues relating to Capacity Building & Technical Assistance and the SPS Committee, all the Articles of the chapter have been provisionally concluded. Both sides agreed on the possibility of an intersessional meeting to resolve outstanding issues.

#### **VI. Transparency in Public Procurement**

The EU and ESA-5 had different views on the principle of transparency in public procurement. Whilst the ESA-5 proposed to limit the commitment to be taken only to cooperation, the EU wanted the ESA-5 to take some specific commitments on public procurement. To ensure progress, both sides agreed that further discussions would be required.

## **VII. Agriculture**

The discussions took place on the basis of the EU-ESA joint working document.

The EU was of the view that the chapter should not include any financial assistance, but should rather provide a framework for dialogue. The ESA- 5, on its part, insisted both on specific areas of cooperation to develop the sector and on financial support. The discussions will continue at the next rounds to ensure progress in the chapter.

## **VIII. Economic Development Cooperation / Means of Implementation**

The Parties agreed that given the short delay on the receipt of the EU comments on the ESA-5 proposal, it was premature to discuss the detailed text. An intersessional meeting would serve to have a better understanding of the comments of the EU.

Both sides had diverging views with respect to the title of the chapter; The ESA-5 was of the view that the EU proposal – “Means of implementation” cannot replace a development chapter which is broader in scope and substance. The ESA-5 also underscored that dedicated funds earmarked for implementation, should be included in the Agreement itself. The EU proposal is that such funding support would be provided under the various instruments in the post Cotonou Agreement. An intersessional meeting would be held to agree on the approach on the negotiations on EDC and financial aspects.

The next round has tentatively been scheduled in **March 2022**.

The Parties are considering to discuss the following topics at the 7th round: Trade in Services, Investment Liberalisation and Digital Trade, Technical Barriers to Trade, Economic and Development Cooperation / Means of Implementation, Competition Policy, Rules of Origin and Transparency in Public Procurement.

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## 5<sup>th</sup> WTO Trade Policy Review of Mauritius

The Fifth Trade Policy Review of Mauritius was held at the WTO Secretariat in Geneva on 09 and 11 November 2021. The Mauritian delegation was led by the Hon Minister Ganoo.



The Trade Policy Review is a transparency exercise mandated by the WTO Agreement and covers changes in trade practices and policies for the period under review, in our case the period 2014-2021. For this exercise, two documents were prepared: a report by the Government of Mauritius and an independent report by the WTO Secretariat. Moreover, Mauritius

received some 172 advance written questions from WTO members on the reports prior to the review which were replied to within the prescribed deadline.

The meeting was chaired by HE Dr A L Molokomme, Permanent Representative of Botswana to the WTO. The discussant was HE Dr Cleopa Mailu, Permanent Representative of Kenya to the WTO. In her introductory remarks, Dr Molokomme laid emphasis, amongst others, on the openness of the Mauritian economy and the economic reforms pursued during the review period which led to Mauritius becoming an essentially services oriented economy.



The discussant, Dr Mailu, highlighted that Mauritius was a vibrant democracy where good governance, the rule of law, transparency and respect for institutions were key principles that underpinned development. He also highlighted the active trade diplomacy pursued by Mauritius and the trade and business facilitation measures taken to improve the business climate.



*The economic reforms undertaken by Mauritius to facilitate trade and investment and the key measures adopted by Government to mitigate economic shocks caused by the COVID-19 pandemic, were acknowledged by Members intervening during the TPR.*

During the meeting, Mauritius made a presentation of its trade policies and practices. It dwelled lengthily on the impact of the COVID-19 and the wide array of measures taken by the Government to sustain jobs, to address the socio-economic challenges, and to put the economy back on the path of recovery.

Some 51 WTO Members took the floor to comment broadly on the Government and Secretariat Reports. The economic reforms undertaken by Mauritius to facilitate trade and investment were widely acknowledged as well as the key measures adopted by Government to mitigate economic shocks caused by the COVID-19 pandemic. Members praised Mauritius for its openness and its continued effort to further diversify the economy, and to expand market access and investment opportunities through the conclusion of the Free Trade Agreements. The role of Mauritius in the consolidation of regional and continental integration was emphasized.

The US Chargé d’Affaires, Mr. David Bisbee underscored the fact that Mauritius has taken good advantage of the existing AGOA programme and the key role it has played in advancing regional integration. The US noted that it looks forward to working with Mauritius on a post-AGOA Framework.

Ambassador Li Chenggang of China commended Mauritius for its trade openness which underpins its economic growth and success. China also recognized that the 15 per cent GDP contraction in Mauritius as

a result of COVID-19 is testimony of the high reliance of Mauritius on trade. China further underlined the positive dynamism caused by the coming into force of the China - Mauritius Free Trade Agreement which enabled bilateral flows to improve in 2021, following a dip in 2020.

Ambassador Brajendra Navnit of India indicated that both India and Mauritius have cemented their long-standing historical ties through the conclusion of a Comprehensive Economic Corporation and Partnership Agreement. This is the first agreement that India has with an African country. India is also mindful of the challenges faced by Mauritius as a small island economy and looks forward to stronger trade and investment ties.

Ambassador Ishaan Gameldin of Egypt who spoke on behalf of the African Group praised Mauritius for its role in consolidating Africa's integration. He stressed the vulnerability of Mauritius as a Net Food Importing Developing Country (NFIDC), similar to Egypt which is also an NFIDC.

Ambassador Angel Villalobos Rodriguez of Mexico commended Mauritius for the progress made since the last trade policy review, especially as regards trade, investment and business facilitation.

Regarding multilateral and regional trade, the commitment of Mauritius to the multilateral trade agenda was reiterated.

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## Negotiations on the WTO Joint Initiative on Services Domestic Regulations concluded

Participants in the Joint Initiative on Services Domestic Regulations have concluded negotiations on the new disciplines on services domestic regulations.

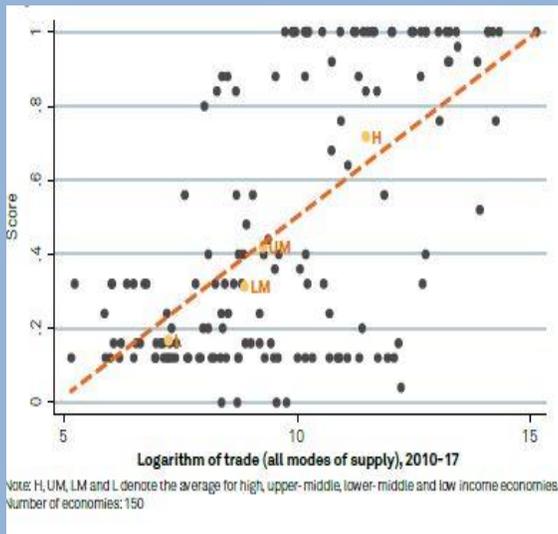


Ministers were expected to endorse the final outcome of the negotiations during the 12<sup>th</sup> WTO Ministerial Conference (MC12) scheduled from 30 November to 3 December 2021 in Geneva, through a declaration announcing the conclusion of the negotiations.

However, considering the postponement of MC12, the Heads of Geneva delegations from the 67 participating Members adopted a declaration on 2<sup>nd</sup> December 2021 to mark the successful conclusion of the negotiations.

WTO members currently participating in the Initiative represent 90% of global services trade. The Initiative remains open, transparent, and inclusive. All WTO

### Correlation between the application of domestic regulation disciplines and volume of services trade



*The slope of the red line indicates that the implementation of the disciplines is positively associated with services trade by all four modes of supply. (Source: WTO)*

members can participate at any stage in the process. This high level of engagement will give the disciplines a significant degree of application worldwide. The disciplines will become a meaningful reference point for countries aiming to undertake domestic regulatory reforms.

### I. Overview of the disciplines

Contained in the "Reference Paper on Services Domestic Regulations", the new disciplines developed by participants in the initiative aim at facilitating services trade by mitigating the unintended trade-restrictive effects of measures relating to licensing requirements and procedures, qualification requirements and procedures, and technical standards. Their focus lies on the transparency, predictability and effectiveness of procedures that businesses have to comply with to obtain authorization to supply their services, with the ultimate objective of creating a more conducive environment for services trade.

Some 60 WTO participating Members, including Mauritius, have circulated schedules of commitments, setting out how they intend to incorporate the new disciplines on services domestic regulations in their existing WTO commitments. Several participants have added new sectors, such as environmental and business services, to their schedules while all participants intend to apply the discipline on non-discrimination between men and women to their

authorization procedures. This is the first time a WTO negotiated text contains such a provision.

## **II. Economic Benefits of the services domestic regulations deal**

The Organisation for Economic Co-operation and Development (OECD) and the WTO released on 26 November a trade policy brief highlighting the economic benefits that would result from the new deal.

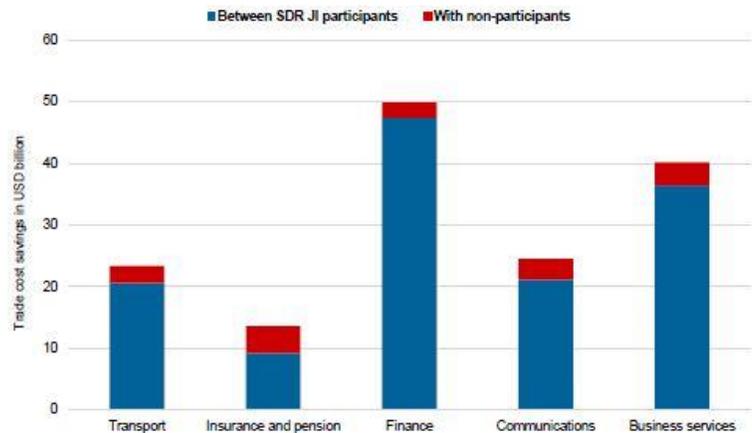
According to the study annual cost savings in services trade could amount to USD 150 billion globally due to a reduction in red tape and increased transparency, with particularly important gains for financial, business, communications and transport services.

According to the study, implementing the outcome on services domestic regulations could:

- **improve the business climate**: by enhancing the transparency, efficiency and predictability of regulatory frameworks, the new disciplines will address the practical challenges that affect the ability of businesses and suppliers to operate in foreign markets.
- **lower trade costs and lead to other trade benefits**: annual savings could amount to USD 150 billion globally, with important gains for financial, business, communications and transport services. Moreover, the implementation of the new disciplines would increase the value of

services trade and lead to enhanced participation in global value chains.

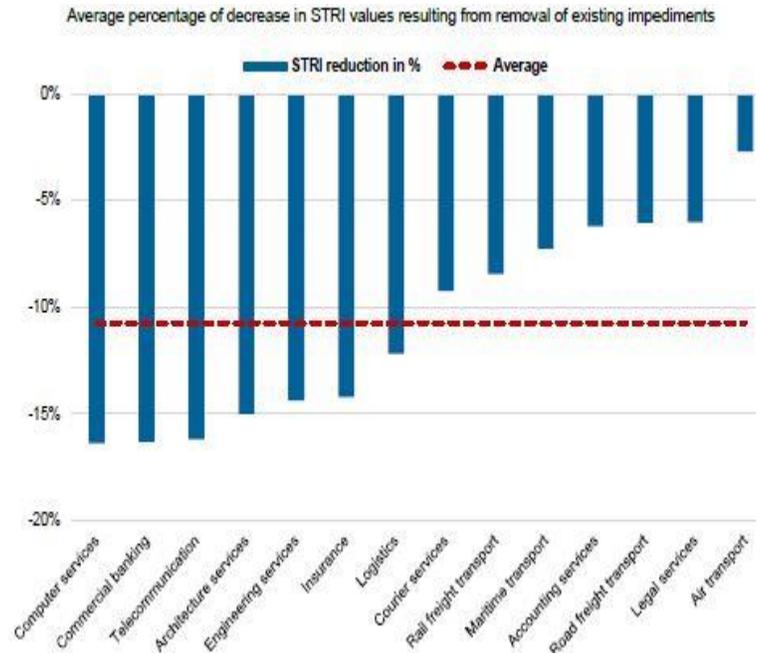
**Annual trade cost savings in five broad services sectors, billion USD**



*Source: OECD calculations*

- **facilitate services trade:** while an increasing number of "new generation" ambitious trade agreements are being concluded, economies at all levels are also implementing reforms on services trade. Implementing the outcome of the negotiations would ensure that domestic regulatory arrangements can open trade opportunities for services providers, particularly for small businesses.

### Streamlining SDR reduces barriers to services trade



Source: OECD calculations

- **generate widespread gains beyond the participants**: exporters from all WTO members will benefit from the improved regulatory conditions when they trade with participants in this joint initiative.

### III. Next Steps

The outcome of these negotiations will be applied on a “most-favoured nation” basis, meaning that it will benefit the full WTO membership

**Within 12 months of the date of the Declaration, participating members are expected to complete required domestic procedures to submit their Schedules of Specific Commitments for certification.**

Participating members will also be required to provide status reports on the progress of their domestic procedures within six months of the date of the Declaration.

*Source: WTO; OECD*

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## Second round of negotiations on the Mauritius-Indonesia Preferential Trade Agreement (PTA)



The Second round of negotiations on the Mauritius-Indonesia Preferential Trade Agreement (PTA) was held on 26-27 August 2021 virtually via Zoom. The Mauritian delegation was led by Mr Narainduth Boodhoo, Director, Trade Policy and the Indonesian delegation was led by H.E. Mr. L. Amrih Jinangkung, Ambassador of Republic of Indonesia for Vatican. The objectives of the meeting were to discuss the PTA text, the Rules of Origin text and the modalities regarding market access.

Constructive discussions were held on the PTA text and agreement was reached on 95% of its provisions.



*The only outstanding issue in the PTA text was the Mauritian proposal to include an article on Import Licensing*

The only outstanding issue where there could not be an agreement was the Mauritian proposal of including an article on Import Licensing. Both sides agreed to defer discussions on the article on Import Licensing until conclusion of discussions on market access for goods.

With respect to the Annex IV on Rules of Origin (ROO) text, both sides discussed lengthily the consolidated text and agreement was reached on most parts of the text. With regard to the outstanding issues, it was agreed to continue discussions intersessionally.

Both sides exchanged views on the modalities pertaining to tariff liberalization. It was agreed to have a list of immediate liberalization and a list of gradual liberalization of tariffs. In terms of coverage, the PTA would cover around 300 tariff lines at 8-digit HS codes. Mauritius emphasized the need to have duty free access for goods of export interest such as garments, sugar, canned tuna, and medical devices, amongst others.

Both sides also agreed to submit their respective request lists prior to the next round for internal consultations.

**The 3<sup>rd</sup> round of negotiations would be held next year and would consider outstanding issues on the ROO text as well as the request and offer lists.**

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## Allocation of TRQ under the India -Mauritius CECPA for 2021/2022

In September 2021, the Ministry of Commerce and Industry of India issued applications for allocation of Tariff Rate Quota (TRQ) under India - Mauritius Comprehensive Economic Cooperation and Partnership Agreement (CECPA) for the year 2021-2022.



The CECPA which came into force from 01 April, covers 615 tariff lines for Mauritius, including frozen fish, special sugar, biscuits, fresh fruits, juices, mineral water, beer, alcoholic drinks, soaps, bags, medical and surgical equipment, and apparel. India on the other hand benefits from preferential market access into Mauritius for some 310 products including food and beverages, agricultural products, textile and textile articles, base metals, electrical and electronic items, plastics and chemicals, and wood

Products that are permitted under TRQ under the agreement include inter alia pineapples (1,000 tonnes

at 30 per cent duty), litchi (250 tonnes at 10 per cent duty), tunas (7,000 tonnes at zero duty), beer made from malt (2 million litres at 25 per cent duty), rum (1.5 million litres at zero duty), textiles (7.5 million pieces of garments at zero duty), and fruit wine (5000 litres at 50% duty).



*All applications must accompany a Pre-Purchase Agreement (PPA) from one of the eligible exporters of specified items in Mauritius.*

As per the public notice of India, all applications must accompany a Pre-Purchase Agreement (PPA) from one of the eligible exporters of specified items in Mauritius. The PPA should indicate the quantity and the duration of fulfilment of the contract. Further, at the time of clearance of the import consignment, the importer in India must produce a certificate of origin issued by MRA Customs. The duration of the TRQ will be from 01st April to 31st March.

It is to be noted that all applications by Indian importers should be sent prior to 28 February to the Indian commerce division on [import-dgtd@nic.in](mailto:import-dgtd@nic.in). Also, allocation will be made equally among the eligible applicant subject to the quantity applied.

The notification of India on the TRQ procedures is available on the Mauritius trade portal on the link below: [https://www.mauritiustrade.mu/en/trading-with-mauritius/news/new/2091,notification-by-ministry-of-commerce-of-india-on-the-trq-procedures-under-cecpa?news\\_rss=non](https://www.mauritiustrade.mu/en/trading-with-mauritius/news/new/2091,notification-by-ministry-of-commerce-of-india-on-the-trq-procedures-under-cecpa?news_rss=non).

## SADC Trade Related Facility - Launching of the Sanitary and Phyto-Sanitary (SPS) Information Management Portal

The Sanitary and Phytosanitary (SPS) Information Management Portal was launched on 23 August 2021 at the Caudan Arts Centre jointly by the Minister of Foreign Affairs, Regional Integration and International Trade and the Minister of Agro-Industry and Food Security, in the presence of the EU delegation.



The SPS Information Management Portal is a project of the Ministry of Agro-Industry and Food Security in collaboration with the Ministry of Foreign Affairs, Regional Integration & International Trade, funded by the European Union under the SADC Trade Related Facility Programme. The aim of the portal is to facilitate access of trade operators to all the SPS related information that they may require in order to

comply with the regulatory obligations in relation to trade of plant and animal products.

The overall objective of the portal is to facilitate trade and increase transparency by consolidating all sanitary and phytosanitary trade-related information into one user-friendly web portal. The portal provides accurate and easily accessible information related to food safety, animal health, plant health and quality trade standards, regulations amongst others and is an important and comprehensive database.



The Portal also provides a platform for the application and the issue of Phytosanitary Certificates electronically. The online platform will confer traders with a quicker and more efficient means of application process.

Policy makers, professionals and the public-at-large will now have fast direct access to information that is essential to improve food safety, consumer protection

as well as to protect animal and plant health, facilitate compliance and market access.

The SPS Portal is also linked to the Trade Portal of Mauritius and includes a rapid alert mechanism. The SPS Portal is a model that could ultimately be adopted by other SADC Member States, as a Trade Facilitation Tool.

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## EU Proposed Generalised Scheme of Tariff Preferences 2024-2034

On 22 September 2021, the EU Commission adopted a proposal for the new EU's Generalised Scheme of Preferences (GSP) for the period 2024-2034. The proposal will be considered by the EU Parliament.



The EU GSP scheme aims at eliminating or reducing tariff on EU imports. Currently 67 countries are covered including Least Developed Countries(LDCs)

and lower middle income countries such as Bangladesh, Pakistan and India. There are 3 specific GSP arrangements granted by the EU namely:

- EBA (Everything But Arms) for LDCs- Duty-free quota-free access to the EU market for all products except arms and ammunition.
- Standard GSP for low and lower-middle income countries – Partial or full removal of customs duties on two thirds of EU tariff lines depending on the sensitivity of the product to the EU.
- GSP+ : Partial or full removal of customs duties on some of the EU tariff lines, provided that the beneficiaries abide to a series of conventions and international laws.

The current scheme will expire in December 2023.

Mauritius by virtue of the Interim Economic Partnership Agreement is excluded from the GSP arrangement.

Key changes proposed are provided below:

**Product Graduation Mechanism:** The threshold will be reduced from 17.5% to 7.5%. Currently a GSP beneficiary ceases to benefit from preferences for a particular product if its exports to the EU constitutes more than 17.5% of the EU GSP total import of that product over a period of three years. This ceiling will be reduced by 10%.

**Additional conventions:** To benefit from the scheme, the beneficiaries will have to abide to six additional conventions related to involvement of children in armed conflict, rights of persons with disabilities, labour inspection, tripartite consultations, Paris Agreement on Climate change and Transnational Organized Crime. The EU will provide assistance to beneficiaries to adhere to the conventions as well as a 2-year transition period to existing GSP beneficiaries.

**Safeguard Measure:** The EU will trigger safeguard measures based on value of imports instead of volume.

**Monitoring exercise.** The GSP beneficiary will be monitored over 3 years instead of 2 years to align the procedures to monitoring reports issued by UN international bodies and organizations. Moreover, EU civil society and stakeholders will be involved in the monitoring process.

**Coverage of products:** The products covered by the GSP remain unchanged.

**Rules of Origin:** The Rules of Origin remains same. However, the GSP beneficiary should put in place an administrative cooperation mechanism for the implementation of Rules of Origin provisions. Cumulation will be allowed upon request to the EU. Regional cumulation between countries of different regional groups and extended cumulation will be granted, provided that the applicant beneficiary

country brings sufficient evidence that cumulation responds to its development, financing and trade needs.

**Withdrawal Mechanism**: The proposal includes an urgent procedure for temporary withdrawal of preferences for exceptionally grave violations, where a rapid response is needed. It allows the EU to shorten the withdrawal process from 18 to 7 months. Such a rapid procedure will suppress the monitoring and evaluation period of six months embedded in the normal procedure.

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## Fifteenth Session of the UN Conference on Trade and Development (UNCTAD 15)

The fifteenth Session of the UN Conference on Trade and Development (UNCTAD 15), was held virtually between Barbados and Geneva from 3 to 7 October 2021, under the theme “From inequality and vulnerability to prosperity for all”.



The UNCTAD conference is held four years and is the highest decision-making body of the organisation. During the Conference, member states assess current trade and development issues, and formulate global policy responses. The UNCTAD Conference dealt extensively with the COVID-19 pandemic and deliberated on the capacity of developing countries and least developed countries to respond and recover from it.

Honourable Alan Ganoo, The Minister of Land Transport and Light Rail, Minister of Foreign Affairs, Regional Integration and International Trade, participated in the Plenary session.

At the outset he emphasized that the pandemic has portrayed the systemic deficiencies that are present in the multilateral system, be it in trade and development, international finance, investment, cooperation and technology transfer. It depicted the lack of coherence and coordination in combatting the pandemic and other catastrophes, including the effects of climate change.

Speaking about small and vulnerable economies like Mauritius, Hon Alan Ganoo indicated their lack of policy space and deployment scope in mitigating external economic shocks, pandemic and climate change, amongst others. He underlined the economic casualty caused by the pandemic which has hit the tourism sector hard, with unprecedented effects on jobs and businesses, leading to a



*Hon. Alan Ganoo. underscored that the COVID-19 pandemic has portrayed the systemic deficiencies present in the multilateral system; as well as the lack of coherence and coordination in combatting the pandemic, and other catastrophes.*

contraction of our GDP by some 15%. Hon Ganoo further underscored that the Government has taken impressive actions to cushion the blow to the Mauritian economy by providing several fiscal support, including a wage assistance scheme to preserve jobs.

He concluded by making a series of recommendations to be considered during UNCTAD 15, which include, amongst others, the following:

- UNCTAD to embark on a comprehensive assessment of the economic and social impact of the COVID-19 pandemic, and make concrete recommendations and global solutions to respond to the crisis.
- Innovative financing strategies to be rethought, as the financing gap to achieve SDGs will be exacerbated.
- the issue of global supply chains and logistics must also be reconsidered, especially as regards the escalating maritime freight cost and the irregular services by the big shipping lines. UNCTAD can take the lead in assessing the problem and proposing workable solutions to address the situation.
- the need for an agreement on the waiver from the TRIPS agreement to ramp up vaccines production.
- an international COVID-19 solidarity fund, with voluntary contribution needs to be set up to

support the recovery in the most affected countries.

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## Assessing the Contribution of the SADC Trade Related Facility to Intra-Regional Trade in SADC Member States

The Trade Related Facility (TRF) was established in July 2017 through a Contribution Agreement between the European Union (EU) and the Southern African Development Community (SADC). The TRF provides financial and technical assistance to SADC Member States (MS), to ensure greater levels of compliance and implementation of the commitments taken by MS under the SADC Protocol on Trade (STP) and the SADC-EU Economic Partnership Agreement (EPA). By improving MS participation in regional and international trade, the TRF aims to increase overall trade flows, which further contributes to sustainable development in the region.

Mauritius is benefitting from a financial support of EUR 1.4 million under the TRF as from March 2017 and is implementing project activities under the thematic areas of Trade Facilitation and Trade Promotion and Development. Some of the success stories of projects implemented under the SADC TRF programme are outlined below.

## **MRA Customs - Non-Intrusive Technologies & Specialised Training**

At the level of the Customs Department of the Mauritius Revenue Authority (MRA), twenty-one officers from the MRA successfully completed training on Big Data Analysis designed to strengthening the Authority's existing Risk Management function. MRA officers are now equipped with the necessary knowledge, skills and competencies to improve the efficiency and effectiveness of revenue collection.



By improving the risk management process, MRA officers can now focus on the riskiest cases, including identifying significant deviations in taxpayer behaviour thereby further improving revenue collection efforts. Moreover, Mauritius is better positioned to use existing IT tools to predict trends and patterns of potential smuggling activities, drug trafficking and money laundering.

Going forward, it is expected that customs officers have the hands-on knowledge to improve and streamline data quality, storage, analysis and dissemination of information to relevant organizations for informed policy decisions as well as the mitigation of risks. To this end, training of MRA officers is expected to increase revenue collection, protect citizens from illicit substances entering the market and improve regional integration among MS.

The MRA has identified the potential to enhance capacity development, infrastructure and economic development, using data analytics and enhanced information sharing between Member States. Ongoing developments in this area is expected to drive greater future benefits for Mauritius, with further training and capacity building planned within the MRA.

Under this same thematic area, another training course on illicit drug detection and investigative and surveillance techniques was attended by thirty-one participants, including 20 from MRA Customs, 10 from the Mauritius Police Force and one from the Ministry of Fisheries.



The overall objective of this training programme was to enhance the knowledge, skills and competencies of Customs Officers and other law enforcement officers involved in the control and prevention of drug trafficking and associated offences.

In addition to these trainings, a Central Scanning Room was established at MRA Customs in line with its commitment to expand the use of non-intrusive technologies (including container and baggage scanners, detector dogs, powers of arrest, electronic processing, risk management systems, joint customs controls and post clearance inspection) in order to maintain security and to expedite compliant trade.

### **Humidity, Temperature and Torque Laboratories at the Mauritius Standards Bureau**

The Mauritius Standards Bureau (MSB) benefitted from three projects, namely the establishment of a Humidity Laboratory, the establishment of a Torque Laboratory and the upgrading of a Temperature Laboratory. Experts were recruited to undertake analysis of the requirements for the establishment of the humidity laboratory and for the upgrading of the Temperature Laboratory. As per the recommendations of the experts, for the Humidity Laboratory, equipment have been procured for calibration using test chamber and calibrated chilled mirror dew point hygrometer with separate Platinum Resistance Thermometers (PRTs).

With respect to the Temperature calibration services, it was noted that several industries in Mauritius do not make use of the services of the MSB temperature laboratory due to lack of equipment and accreditation, therefore they import services from overseas. A few examples include the Mauritius Meteorological Services, Ministry of Energy and Public Utilities, Assay Office for precious metals, Mauritius Oceanography Institute (MOI), Mauritius Cane Industry Authority (MCIA), Albion Fisheries Research Centre, Airport Terminal Operations Ltd (ATOL), The Phoenix Brewing Company, Samlu Koyenco steel foundry, Mauritius universities and the Health care industry. Upon the recommendation of the experts, specialised equipment were procured and MSB staffs were trained with the objective to improve the temperature laboratory's capabilities.



The MSB Act -1993 (As amended in 1997) mandates the MSB to be the custodian of the national physical standards of measurement and to disseminate Metrological traceability to the International system of Units (SI) at the highest accuracy level to all the sectors of the economy. This implies that Mauritius needs to have an updated, modern, accurate,

traceable and recognized measurement system with capability to provide reliable calibration services. However, as at August 2021 most of the Metrology laboratories are still making use of low accuracy measurement standards that were donated by UNDP in 1974. Equipment for low and vacuum pressure measurement is mercury based and based on the Minamata Convention, this practice is no longer encouraged. Torque measurement facilities were not available in Mauritius while calibration demands exist at the civil aviation departments, helicopter squadron and most of the heavy engineering workshops from motor and heavy engineering agencies.

With the objective to help local stakeholders in ensuring quality of their products and to increase their competitiveness through reliable, traceable and recognized calibration services, a Torque metrology laboratory has been established at the MSB and the Pressure Metrology laboratories have been upgraded, through the procurement of reference standards and standard equipment.



*A workshop was carried out to apprise Mauritian stakeholders of the outcomes of a study to assess the export potential of Mauritian products in the markets of seven SADC Member States, namely Angola, Botswana, Malawi, Namibia, Tanzania, Zambia and Zimbabwe.*

### **Economic Development Board – Market Intelligence Analysis**

In the area of trade promotion, an expert was recruited to undertake a study in seven SADC Member States, namely Angola, Botswana, Malawi, Namibia, Tanzania, Zambia and Zimbabwe, with a view to assess the export potential of Mauritian products in these markets. The consultant travelled to

these seven countries in order to analyse market potential for Mauritian products and to identify the supply chains of these markets. The expert produced seven separate country reports with recommendations. Taking on board the recommendations of the report, the Economic Development Board (EDB) conducted a Contact Promotion Programme (CPP) in two countries, namely Namibia and Botswana in June 2019.

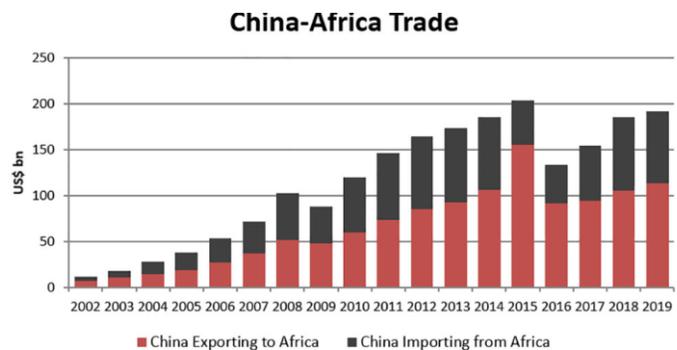
The consultant conducted a workshop in February 2019 to apprise Mauritian stakeholders of the outcomes of his research. The workshop was attended by around 100 stakeholders who are interested in venturing in the selected regional SADC markets. The local business operators (mainly SMEs) were also trained on export procedures including INCO terms, compliance with SADC rules of origin, SPS and TBT measures, online Tripartite NTB reporting mechanism etc.

In view of tapping on the potential for the export of Mauritian products in the region, the EDB plans to continue with CPPs in Zambia and Tanzania. To date, meetings held with interested stakeholders have resulted in two Mauritian alcohol manufacturers securing export orders, whereas textile and apparel manufacturers have been negotiating for orders.

## ITC Partnership for Enhancing Export Capacity of Africa to China

The International Trade Centre (ITC) included Mauritius in the technical assistance project entitled "Partnership for Enhancing Export Capacity of Africa to China" (PEECAC). PEECAC was launched in September 2021 and initially, Mauritius was not in the project.

"Partnership for Enhancing Export Capacity of Africa to China" is primarily aimed at promoting non-resource-based products exported from selected countries in Africa to the Chinese market. The PEECAC is intended to support Mauritius and other African countries to attract sustainable Chinese investment.



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The ITC is planning to implement this 3-year project in cooperation with the Department of Commerce of Hunan Province (DOFCOM Hunan), China-Africa Development Fund (CADFund), Hunan Oversea Home Information Technology Co Ltd. (Oversea

Home), as well as trade and investment support institutions in the selected African countries.

The project will begin with a thorough analysis of the export potential of agricultural and food products from selected countries in Africa to China. Technical assistance will be provided to exporters to better understand the Chinese market, particularly China's sanitary and phytosanitary requirements.

In consultation with trade and investment support institutions, the Chinese economic and trade counsellor office of the relevant African countries will assist ITC in identifying local companies and parties interested in exporting to China and attracting investment. In this endeavor, the Mauritius Embassy in Beijing has been invited to provide guidance and support as a project partner.

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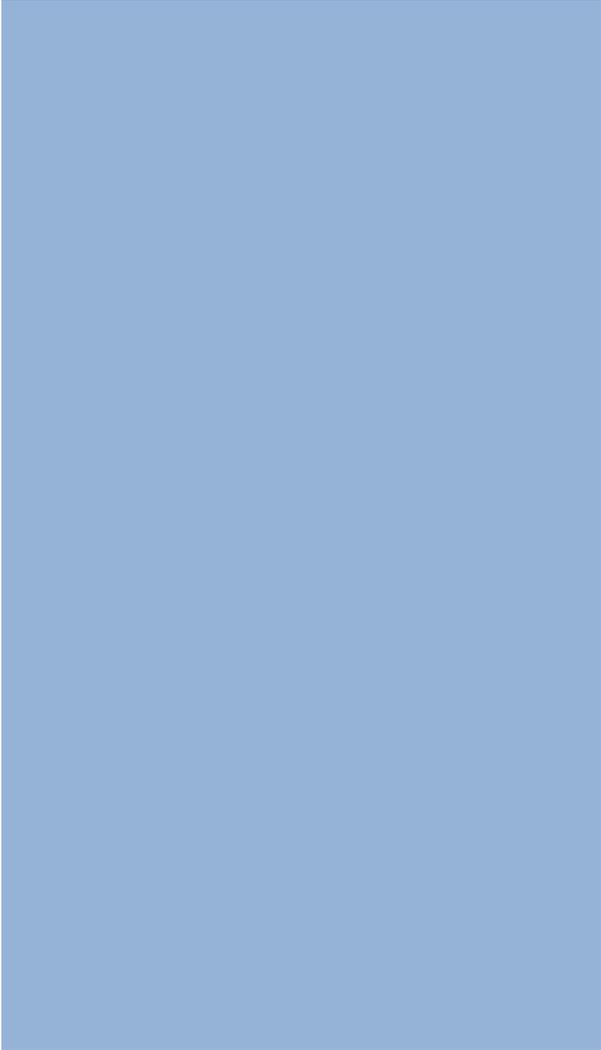
## **WTO discussions on common Intellectual Property Covid-19 response**

Following the decision to postpone the 12th WTO Ministerial Conference (MC12) amid new coronavirus variant concerns, delegations in Geneva committed to continue engaging in various configurations in the coming weeks to try and harvest any outcome that may still be possible regarding a common Intellectual Property (IP) Covid-19 response.

At a formal meeting of the Council for Trade-Related Aspects of Intellectual Property Rights (TRIPS) held on 29 November, members expressed unanimous support for maintaining the momentum of the discussions on a common IP response to the pandemic. The TRIPS Council meeting, which had been convened before the announcement of MC12 being indefinitely postponed, saw members sharing the common view that the WTO cannot afford to lose the momentum that was gathering in the discussions among delegations, with a view to finding a pragmatic and tangible consensus-based solution on this issue.

The chair of the Council, Ambassador Dagfinn Sørli of Norway, said he will consult in the coming weeks with members to help facilitate continued engagement, and with a view to finding consensus on a substantive solution. This includes by convening small-group consultations and where necessary meetings open to all members for the purposes of transparency and inclusiveness.





Members also agreed to keep open in the agenda of the TRIPS Council the two proposals on the table subject to discussion — the proposal by India and South Africa requesting a waiver from certain provisions of the TRIPS Agreement for the prevention, containment and treatment of Covid-19, and the proposal by the European Union for a draft General Council declaration on the TRIPS Agreement and Public Health in the circumstances of a pandemic.

Ambassador Sørli thanked delegations for their continued engagement in what he characterized as a “complex issue”. He underscored members’ shared view that IP should not be a barrier to access to medicines, and that governments should be able to permit manufacturers that are able and ready to produce Covid-19 vaccines to start producing without worrying about a patent.



# International Trade Division

MINISTRY OF FOREIGN AFFAIRS, REGIONAL INTEGRATION AND INTERNATIONAL  
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