

Trade News Digest

International Trade Division

Ministry of Foreign Affairs, Regional Integration and International Trade

In This Issue

Tripartite Free Trade Area (TFTA) - National Workshop and Signing of the TFTA Agreement

Traditional knowledge and genetic resources - Possible setting up of a platform

Indian Ocean Rim Association (IORA) - Study on building closer economic cooperation

Extraordinary Council of Ministers of the Indian Ocean Commission

Commonwealth Impact Assessment of the Trade in Services Agreement (TISA)

Negotiations on an APEI Mutual Recognition Agreement for Accountancy Services

SADC Trade in Services

SADC Trade Related Facility

Second Meeting on the Resumption of Talks on the India - Mauritius Comprehensive Economic Cooperation Partnership (CECPA)

Possible FTA between Mauritius and China - Forthcoming launching of negotiations

Intellectual Property Development Plan (IPDP)

Enlistment of the services of an IP consultant

Eastern and Southern African (ESA) interim Economic Partnership Agreement (iEPA) with UK

EPA Negotiations with the EU



Tripartite Free Trade Area (TFTA) - National Workshop and Signing of the TFTA Agreement

The Heads of State and Government from the Common Market for East and Southern Africa (COMESA), the East African Community (EAC) and the Southern African Development Community (SADC) agreed to establish a grand Tripartite Free Trade Area (TFTA) at their First Tripartite Summit held in October 2008. Since then, Mauritius has been actively participating in the TFTA negotiations.

The Tripartite FTA aims at laying the basis for the synchronization and harmonization of trade policies among member states belonging to COMESA, SADC and EAC.

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Traditional knowledge and genetic resources - Possible setting up of a platform

A team from the World Intellectual Property Organization (WIPO) visited Mauritius on 24-26 July 2017 for national consultations on the establishment of a platform to safeguard and promote traditional knowledge and genetic resources in Mauritius. The objective is to document traditional knowledge and to create databases on genetic resources for the country and establish a platform through which bio-resources and local knowledge can be traded for economic development.

The team has recently submitted a summary of discussions held during their stay in Mauritius. Mauritius has appointed a local expert on genetic resources, Dr. Fawzi Mahomoodally, to work with WIPO. Thereafter, a strategy paper would be drafted and consultations would be carried out with stakeholders before its finalization by the end of March 2018. In light of the above, WIPO has also set key questions as to the proposed business model to draft the strategy paper. These include, inter alia, which genetic resources and sectors could deliver quick wins and tangible results for Mauritius.

Source : International Trade Division





Indian Ocean Rim Association (IORA) - Study on building closer economic cooperation

As the current Chair of the IORA, Indonesia has conducted a study on building closer economic cooperation in the IORA region. In this context, a delegation from Indonesia led by Dr Siswo Pramono, Head/Director General of Policy Development and Analysis Agency of the Ministry of Foreign Affairs of Indonesia, visited Mauritius in September. Members of the Indonesian delegation met different stakeholders from Mauritius, including the Ministry of Finance and Economic Development, the Ministry of Foreign Affairs, Regional Integration and International Trade, the University of Mauritius and the Mauritius Chamber of Commerce and Industry. They had a fruitful exchange of ideas concerning the possibility of establishing an IORA Comprehensive Economic Partnership Agreement (IORA-CEPA).

Source : International Trade Division

Extraordinary Council of Ministers of the Indian Ocean Commission



INDIAN OCEAN
COMMISSION

Subsequent to the meeting of the Senior Officials (Officiers Permanent de Liaison - OPLs) on 29 and 30 September 2017, the Extraordinary Council of the IOC meeting was held on 02 and 03 October 2017 at Hilton Hotel in Flic-en-Flac, Mauritius. Ministers, public officials, representatives and delegates from Reunion/France, Comoros, Seychelles, Madagascar, Mauritius, the European Commission, the Order of Malta, Agence Française de Développement and the Indian Ocean Commission (IOC) Secretariat participated in the meeting.

Extraordinary Council of Ministers of the Indian Ocean Commission (cont.)

The Honorable Minister of Foreign Affairs, Regional Integration and International Trade, Mr. Seetannah Lutchmeenaraidoo chaired the meeting and the IOC Secretariat acted as facilitator. The Honorable Minister of Social Security, Reform Institutions and Environment and Sustainable Development, Mr. Marie Joseph Noël Etienne Ghislain Sinatambou acted as the Head of the Mauritian Delegation.

During the meeting, the Council discussed the Transformation of the IOC from Commission to Community, the budget 2017 to be allocated to the Secretariat, the Strategic Development Plan 2017-2010, Post Cotonou amongst others.

The Council reviewed and approved the request of the EU to be an observer of IOC. It was also agreed that free movement of people and goods will be on the agenda of the next Ordinary Council, to be held in March 2018.

Source : International Trade Division

Commonwealth Impact Assessment of the Trade in Services Agreement (TISA)



The TISA negotiations which were initiated by 23 WTO member states in 2013 and which Mauritius joined in July 2015 is considered as one of the most ambitious trade in services agreements that the world has ever seen. As at date, 21 negotiation rounds have already taken place. It is to be noted that a sustainable impact assessment conducted by the EU in December 2016 identified Mauritius as the 2nd biggest beneficiary of the TISA, given our service oriented economy which accounts for over 74% of the Mauritian GDP. The TISA negotiations are, however, on hold since December 2016 after the US Presidential elections. There is no indication as to when the negotiations will resume.

Commonwealth Impact Assessment of the Trade in Services Agreement (TISA) (cont.)

In the meantime, Mauritius has secured assistance from the Commonwealth Secretariat for an economic, regulatory and social impact assessment of the TISA. Three trade experts from the Commonwealth Secretariat were in Mauritius on the 4th to 6th of October 2017 for relevant consultations. They had meetings with a number of stakeholders from the public and private sector representing all the major service industries in Mauritius as well as consumer associations and trade unions who had earlier voiced out their concern on TISA. Stakeholders were of the view that the TISA will provide opportunities for Mauritius to increase services imports and exports. It is expected that the impact assessment will be completed by April 2018.

Source : International Trade Division

Negotiations on an APEI Mutual Recognition Agreement for Accountancy Services

Following the Accelerated Programme for Economic Integration (APEI) Accountancy Regulators Forum held in March 2017, the first round of negotiations on a Mutual Recognition Agreement (MRA) for Accountancy Services was held from 9th to 11th October 2017 at Le Labourdonnais Hotel in Port-Louis, Mauritius.



Regulators of the accounting profession and officials from Malawi, Mozambique, Mauritius, Seychelles and Zambia participated in this first negotiating round.

Negotiations on an APEI Mutual Recognition Agreement for Accountancy Services(cont.)

The meeting was held under the sponsorship of the Commonwealth Secretariat. Mr Kirk Haywood, Trade Adviser with the Commonwealth Secretariat, acted as a facilitator for the meeting and Mr Kenneth Matupa, Director, Revenue Policy in the Ministry of Finance, Economic Planning and Development of Malawi and Technical Chair of APEI chaired the meeting.

Whilst the delegations present arrived to a consensus on a number of issues regarding the APEI MRA for Accountancy, consultations would still be in process on other matters in order to finalise the MRA.

The next round of negotiations for the APEI MRA for Accountancy is scheduled in January 2018. The aim is to sign the MRA in May of next year.

Source : International Trade Division

Tripartite Free Trade Area (TFTA) - National Workshop and Signing of the TFTA Agreement (cont.)

The TFTA is an opportunity for Mauritius to benefit from a larger market with a single economic space and negotiate more favourable rules with a view to promoting our exports.

The COMESA Secretariat organized a National Workshop on Tripartite FTA on 9-10 October 2017 in Mauritius. The national workshop sought to sensitise Mauritian stakeholders which will be instrumental in the ratification and implementation of the Tripartite FTA Agreement.



The two-day workshop provided a detailed overview of the Tripartite FTA Agreement and Phase II of the negotiations, market access opportunities for Mauritius, implementation of the Agreement, Mauritius' country experience.

Tripartite Free Trade Area (TFTA) - National Workshop and Signing of the TFTA Agreement (cont.)



Mauritius seized the opportunity to sign the TFTA Agreement during the National Workshop on TFTA on the 9th day of October 2017 in the presence of the Secretary General of COMESA, Mr. Sindiso Ngwenya.

The signing of the TFTA Agreement reaffirms Mauritius' commitment towards the fruitful conclusion of the TFTA Agreement and signifies an initial endorsement of that Agreement. However, it does not imply ratification of the Agreement. Mauritius seized the opportunity to sign the TFTA Agreement during the National Workshop on TFTA on the 9th day of October 2017 in the presence of the Secretary General of COMESA, Mr. Sindiso Ngwenya. The signing of the TFTA Agreement reaffirms Mauritius' commitment towards the fruitful conclusion of the TFTA Agreement and signifies an initial endorsement of that Agreement. However, it does not imply ratification of the Agreement.

Upon the signature of the TFTA Agreement by Mauritius on 9 October 2017, 21 member states out of 26 have signed the Agreement. However, the Agreement requires 14 ratifications to enter into force. So far, only Egypt and Uganda have both signed and ratified the Agreement. As at date three Annexes to the TFTA Agreement, namely Annex IV on Rules of Origin, Annex II on Trade Remedies and Annex X on Dispute Settlement, and the market access offer have not been finalised. Mauritius is keen to ratify the TFTA Agreement once these important aspects of the TFTA are finalised.

Source : International Trade Division

SADC Trade in Services



Mauritius signed the SADC Protocol on Trade in Services at the SADC Summit in Maputo, Mozambique, in August 2012. The Instrument of Ratification was deposited with the SADC Secretariat in 2015.

The overall objective of the Protocol on Trade in Services is to progressively liberalise intra-regional trade in services in order to promote sustainable economic growth and development.



Following the adoption of the Protocol by the SADC Summit in August 2012, SADC Member States have been engaged in trade in services negotiations which are based on a request/offer process. Six priority sectors were identified for negotiations, namely Financial Services, Tourism, Communications, Transport, Construction and Energy-related services. Due to lack of resources and capacity constraints in SADC Member States, negotiations started on the first four priority sectors, namely Communications, Tourism, Financial and Transport services. Mauritius has submitted requests to all SADC Member States to open their markets in specific sectors and has tabled a revised market access offer on the four priority sectors. The benefits that would accrue to Mauritius as it engages in trade in services negotiations at SADC level relate to market access, more open and transparent environment for trade in services, more transparency and predictability for investors, possibility for Mauritian companies to establish commercial presence in SADC Member States and potential for Mauritian service suppliers to travel to SADC Member States to provide services from Mauritius without the need for a physical presence. The SADC market represents a huge potential for our service providers in terms of market access.

The Committee of Ministers of Trade (CMT), at its meeting on 14 August 2017, approved offers by fourteen (14) Member States in the first four priority sectors (communication, financial, tourism and transport services), as well as draft annexes on tourism services, movement of natural persons (Mode 4) and subsidies. Ministers directed that the outstanding issues be finalised by March 2018. The next TNF meeting scheduled on 29 Nov -1 Dec 2017 will consider the outstanding issues pertaining to the draft annexes on financial services, postal and courier services, transport and logistics services, and substantial business operations. The meeting will also pursue negotiations in the Construction and Energy-related services.

Source : International Trade Division

SADC Trade Related Facility



The SADC Trade Related Facility (TRF) is a mechanism for financial and technical support to SADC Member States to ensure a higher level of compliance and implementation of commitments undertaken under the SADC Trade Protocol and the SADC Economic Partnership Agreement with the EU (EPA).

Mauritius has received funding under the SADC TRF for several projects on Trade Facilitation and Trade Promotion and Development as follows:

- **MRA Customs**

- o The establishment of field laboratory at Port Louis Seaport
- o Development of a non-intrusive inspection technology system

- **National Plant Protection Office (NPPO)**

- o Development and implementation of a Sanitary and Phytosanitary Information Management System

- **Mauritius Standards Bureau (MSB)**

- o Enhancing capacity in metrology and calibration through the establishment of a Humidity Metrology Laboratory and the upgrading of a temperature laboratory.

- **Ministry of Business Enterprises and Cooperatives (MBEC)**

- o Enhance productivity and competitiveness of enterprises in the manufacturing sector through a Productivity Improvement Programme (PIP).

- **Enterprise Mauritius (EM)**

- o To enhance the export readiness of SMEs/enterprises.

- **Mauritius Export Association (MEXA)**

- o Conduct a feasibility study for the development of an e-commerce platform in Mauritius.



A Financing Agreement was signed in January 2017 between SADC and Mauritius for a maximum funding of EUR1.4 million. The financing agreement prescribes that all projects should be completed by 30 September 2019.

As at date four tenders have been launched with respect to the implementation of the projects from MSB (two tenders), MEXA (1 tender) and EM (1 tender). The tenders for MEXA and EM have already been opened and are now being evaluated by the Bid Evaluation Committee.

Source : International Trade Division

Second Meeting on the Resumption of Talks on the India - Mauritius Comprehensive Economic Cooperation Partnership (CECPA)

The 2nd Meeting of the India-Mauritius CECPA was held in New Delhi, India on the 27th and 28th of September 2017 in view of the finalization of the Joint Study Group (JSG) Report. Whilst the Mauritius delegation was led by Mr N. Boodhoo, Director, Trade Policy, whilst the Indian side was led by Shri Manoj Kumar Dwivedi, Joint Secretary, Department of Commerce. The Joint Study Report is expected to be finalised at the next meeting to be held in Mauritius in January 2018. Negotiations will also start in four areas, namely trade in goods, trade in services, investment and economic cooperation.

Source : International Trade Division



Possible FTA between Mauritius and China - Forthcoming launching of negotiations

The Ministry of Commerce of the People's Republic of China has now obtained the negotiating mandate from the State Council to negotiate a Free Trade Agreement (FTA) with Mauritius. The aim of such an agreement is to create the necessary conditions to increase bilateral trade and investment and to strengthen and expand the scope of economic cooperation between Mauritius and China. Both countries will sign a Memoranda of Understanding in the margin of MC 11 to officially launch the FTA.



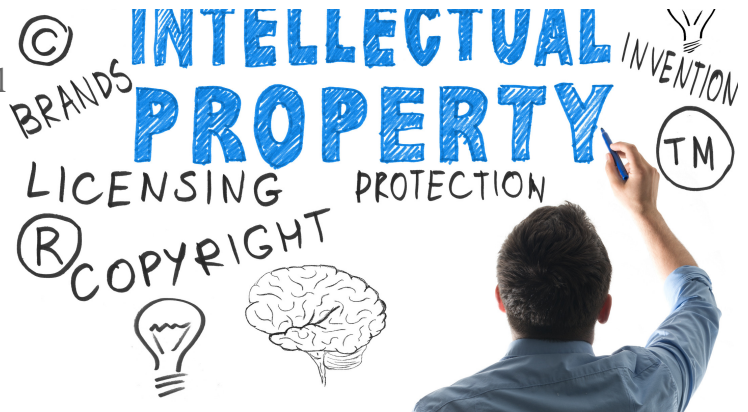
For Mauritius, a FTA with China would serve as a strong link to connect Mauritius to one of the world's most dynamic emerging economies. Further, China offers a sizeable market, with a population of nearly 1.4 billion (2016).

Source : International Trade Division

Intellectual Property Development Plan (IPDP)

Enlistment of the services of an IP consultant

The Ministry of Foreign Affairs, Regional Integration and International Trade (International Trade Division) has invited Expression of Interest from international consultants in the field of Intellectual Property to support the implementation of the Intellectual Property Development Plan (IPDP) of Mauritius.



The IPDP was developed in 2009, in collaboration with WIPO. The Plan was reviewed in 2016 to reflect the dynamics of the changing IP environment. The IPDP seeks to ensure, amongst others, that the organisations involved in IP enforcement, the potential users as well as generators of IP have the technical capacity and know-how to use IP as a tool to promote research, innovation and economic growth.

The appointed international IP expert will be responsible to ensure the effective implementation of the new Industrial Property Bill, including the drafting of regulations relevant to the Bill. He/She will have to review the structure of the Industrial Property Office so that it is fully equipped to respond to the new IP set up.

Source : International Trade Division

Eastern and Southern African (ESA) interim Economic Partnership Agreement (iEPA) with UK

Trade officials from the UK and ESA states met in Johannesburg on 7th November 2017 for the first technical discussion on the EU-ESA iEPA transition. The meeting was preceded by an ESA meeting on the 6th November 2017 in view of formulating a common stand.



Eastern and Southern African (ESA) interim Economic Partnership Agreement (iEPA) with UK (cont.)

In a nutshell, the following were resolved during the ESA-UK iEPA meeting:

- a. The overarching principle established at the introductory meeting to replicate the effects of the existing EU iEPA in a new bilateral agreement through a technical process was reiterated by the Parties.
- b. The Parties recognised and agreed on the ambition of the existing iEPA agreement to widen and improve it into a full EPA, including in areas such as services and investment, once the UK leaves the EU.
- c. Technical amendments to be brought to the iEPA at the earliest in light of its completion and finalisation for signature and ratification purposes. This aspect is considered as important to prevent any disruption to trade for both the UK and the ESA after the former leaves the EU.
- d. The next meeting has been tentatively scheduled in January 2018 in Mauritius.

Source : International Trade Division

EPA Negotiations with the EU



The 6th EPA Committee between the ESA and the EU was held on 02-03 October 2017. Both sides agreed to initiate a process for the deepening of the iEPA. A scoping paper outlining the priority areas for discussions which include amongst others a review of Rules of Origin, SPS, TBT, and Trade Facilitation has been prepared for submission to the EU. The next meeting is tentatively scheduled in Mauritius in January 2018 to validate the areas of discussions and subsequently negotiations would be initiated.

Source : International Trade Division