

CORPORATE COUNCIL ON AFRICA PRESENTS



JULY 27 - 29, 2021 | A 3-DAY VIRTUAL SUMMIT

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**INTERVENTION BY**

**THE HON PRAVIND KUMAR JUGNAUTH, PRIME MINISTER**

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**RECORDING: 22 JULY 2021**

**AT 16.40 HRS**

***(HON PRIME MINISTER TO REACH THE TREATY ROOM AT 16.55HRS)***

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## QUESTION 1:

Increased trade and investments form a key pillar of strengthened partnerships between the United States and Africa. Without a doubt, the African Growth and Opportunity Act (AGOA) has truly transformed the way the United States and Africa interact on trade and economic issues.

However, Mauritius could be reclassified as a high income country in the coming years and lose its AGOA eligibility and considering the expiry of AGOA in 2025, what is the agenda of the Government to ensure continuity of trade with the US and to further improve bilateral economic relations?

Thank you, Madam, for your kind remarks.

I thank the Corporate Council on Africa for the kind invitation extended to me.

My special thanks go to Mrs Florizelle Liser, President & Chief Executive Officer of CCA and a friend of Mauritius.

The issues before us are very timely. The world confronts a pandemic which hit vulnerable countries, like Mauritius, the hardest.

In these unprecedented circumstances, a renewed partnership with a traditional friend is of high essence.

I wish to support the insightful statement of my distinguished predecessor and friend, **President Nyusi**.

I fully subscribe to his advocacy for an integrated and prosperous Africa in an enduring and mutually beneficial strategic partnership with the US.

I also welcome the statement of Hon. Gina Raimondo, US Secretary of Commerce.

I have been very attentive to her remarks on the priorities of the engagements of US Administration with Africa.

We welcome the announcement of President Joe Biden who has promised a fundamental change in American foreign policy, that is: *“America is back.”*

The new US Administration is, therefore, also associated with considerable expectations in our Continent.

I wish to emphasise that trade and investment are central as drivers of strengthened ties between the United States and Africa.

The Africa Continental Free Trade Area, along with other on-going continental policies, are stepping stones for a more inclusive and prosperous future for the continent.

A borderless Africa lays the foundation for a viable continental market and allows Africa to be more competitive in global trade and value chains.

How our global trading partners support this project will set the tone of relationships with Africa for years ahead.

Thus far, the AGOA is the cornerstone of the economic and trade relations between the US and Sub Saharan Africa.

It has been a critically important instrument for Mauritius to export apparel and other products such as jewellery, sunglasses, and optical goods, to the US.

Mauritius is actively participating in several congressional hearings to get AGOA adopted and subsequently extended.

Now that the AGOA is set to expire in 2025, expectations run high on possible post-AGOA scenarios.

For Mauritius, the situation is particularly worrying. As you pointed out Madam, Mauritius may be reclassified as a high-income country well before the expiry of AGOA and it could, therefore, not qualify for AGOA eligibility.

This does not augur well for an export-driven economy like Mauritius.

We will, therefore, continue to discuss with our US partners on different options.

Pending a US-Africa free trade agreement, we ambition concluding a WTO-compatible bilateral Free Trade Agreement with the US.

This will protect our existing market access and act as a gateway to accelerated export growth and diversification.

We are also open to negotiate a more comprehensive agreement covering both trade in goods and services, and other areas.

We want to build on the legacy of the excellent bilateral ties which unite Mauritius and the USA.

Thank you.

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## **QUESTION NO 2:**

**The Biden administration has an opportunity to elevate the United States' engagements with Africa with a new continent-continent approach for a more strategic partnership. At the same time, countries need to capitalize on their bilateral relationship with the US to complement the wider US continental partnership.**

**For instance, the US has signed a Trade and Investment Framework Agreement (TIFA) with several African partner countries, including Angola, Ghana, Liberia, Mauritius, Mozambique, Nigeria, Rwanda and South Africa, as well as various regional country groups, such as COMESA, Eastern African Community (EAC) and WAEMU (Western African Economic and monetary Union).**

**What is the perspective of Mauritius in this respect?**

Thank you Madam.

Mauritius was among the first African countries to have concluded a Trade and Investment Framework Agreement (TIFA) with the US and signed a set of principles in the field of ICT.

We have had several meetings under the TIFA framework to brainstorm on issues such as:

- enhancing private-sector linkages;
- promoting intellectual property rights;
- coordinating on AGOA implementation;
- enhancing Trade in Services;
- strengthening agri-business linkages; and
- exploring potential for a bilateral investment treaty.

This has enabled us to step up our collaboration and to have a better appreciation of the US position on these important issues.

We want to use the TIFA platform to discuss ways of improving bilateral trade, and to attract more US investments in some of the emerging sectors in Mauritius.

These include Renewable Energy, Ocean Economy, ICT, Health and Education.

We are also accelerating our transition towards becoming a digital economy. US investments in this area will certainly support our various digital transformation initiatives with positive spill-over effects on mainland Africa.

We also aim to make of our biotechnology and pharmaceutical sector a major manufacturing industry. The package of incentives we offer in this area opens plenty of opportunities for US private investments in Mauritius.

We also aspire to develop collaborative partnership with the US to implement our own home-grown Africa strategy.

We have, indeed, an ambitious program to develop closer economic, trade, and investment relations with some targeted countries in mainland Africa.

We are setting up Special Economic Zones (SEZs), supported by a Mauritius-Africa Fund, and plan to develop smart cities in some African countries.

The Mauritius-US TIFA Council is, therefore, an appropriate forum for engaging with the US on such critical issues and to discuss those of common interests.

Our two countries have an enduring commitment to trade, investment, and economic growth.

Furthermore, Mauritius is an important player in ensuring an Indian Ocean which is safe and secure.

For all these reasons, we want to advance our common agenda and deepen the bonds of friendship between our two countries.

Thank you.

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## **CONCLUDING STATEMENT**

Thank you Madam,

The session has been very informative.

Africa and the United States are at a moment of great promise for a deepened and modernized US-Africa relationship.

With regional integration being centered around the flagship African Continental Free Trade Area, never before has the African Continent been better primed for trade, investment, and mutually beneficial partnerships.

Now that this hope has been dampened by the pandemic, one of our key expectations from the U.S. government is to show its commitment to Africa's post-pandemic recovery.

The US decision to provide access to COVID-19 vaccines is a commendable initiative and paves the way for more engagements.

For me, the salient point of the meeting is the manner in which we can secure the US support to transform Africa as a key engine of global growth in the coming years.

Thank You.

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