



WORLD TRADE ORGANIZATION Organisation Mondiale du Commerce Organización Mundial del Comercio **RD/TPR/782<sup>\*</sup>** 

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Page: 1/3

Trade Policy Review Body

## **UNOFFICIAL ROOM DOCUMENT<sup>1</sup>**

### TRADE POLICY REVIEW OF MOZAMBIQUE (3 AND 5 MAY 2017)

CONCLUDING REMARKS BY THE CHAIRPERSON

Organe d'examen des politiques commerciales

# **DOCUMENT DE SÉANCE NON OFFICIEL<sup>1</sup>**

### EXAMEN DES POLITIQUES COMMERCIALES DU MOZAMBIQUE (3 ET 5 MAI 2017)

**REMARQUES FINALES DU PRÉSIDENT** 

Órgano de Examen de las Políticas Comerciales

# **DOCUMENTO DE SALA NO OFICIAL<sup>1</sup>**

### EXAMEN DE LAS POLÍTICAS COMERCIALES DE MOZAMBIQUE (3 Y 5 DE MAYO DE 2017)

OBSERVACIONES DEL PRESIDENTE A MODO DE CONCLUSIÓN

\* In Original language only/En langue originale seulement/En el idioma original solamente.

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RD/TPR/782

#### - 2 -

#### TRADE POLICY REVIEW OF MOZAMBIQUE

#### 3 AND 5 MAY 2017

#### Concluding Remarks by the Chairperson Ms Irene Young (Permanent Representative, Hong Kong, China)

1. The third Trade Policy Review of Mozambique has allowed us to have a better understanding of Mozambique's trade and investment policies as well as the changes introduced to them since the previous review in 2009. Our discussion was greatly facilitated by the constructive participation of the Mozambique delegation, headed by H.E. Ernesto Max Tonela, Minister of Industry and Trade, the discussant, H.E. Ambassador Christopher Onyanga Aparr of Uganda, and the 31 Members who had taken the floor.

2. Since the last review, Mozambique's GDP had grown annually by around 7% on average. It started to slow down in 2015, and the economy now faces a number of challenges, such as reduced global demand and lower prices for commodity exports like coal and natural gas, as well as reductions in foreign direct investment and official development assistance.

3. Some Members pointed out that Mozambique's abundant natural resources and strategic location would allow it to play the important role of a regional transport corridor, thereby putting it in a better position to address these challenges. Economic and institutional reforms, however, would be key to the country's sustainable development. At this meeting, Members heard the Mozambique delegation explain its national strategies, and they congratulated Mozambique on the progress made in various reforms which aimed at diversifying the economy, enhancing competitiveness, attracting investment, and improving the business environment. They noted in particular the enactment of Mozambique's first Competition Law, the reform of the government procurement regime, the introduction of a new competition-friendly Telecommunications Law, as well as the promotion of economic zones and development corridors.

4. Members also appreciated the measures that Mozambique had taken to streamline customs procedures, which would not only benefit foreign traders, but also reinforce Mozambique's role as a trade transit corridor in the region. In particular, they welcomed the country's ratification and implementation of the Trade Facilitation Agreement, as well as its introduction of a single electronic window for customs transactions. They urged Mozambique to also eliminate pre-shipment inspection requirements. For those who were concerned about customs broker requirements, Minister Tonela's clarification that the use of customs brokers is not mandatory under the present legislation, should be encouraging.

5. Regarding the tariff regime, Members encouraged Mozambique to improve predictability and to keep applied tariffs within bound rates. Regarding notifications to the WTO, while Members noted improvement since the previous Review, they remained concerned about the absence of notification in several areas, which was a challenge acknowledged by the Mozambique delegation and one which it was determined to address.

6. Members also encouraged Mozambique to review some of its regulations to bring them in line with WTO commitments. These include, but are not limited to, regulations governing the "control stamps" for alcoholic beverages, the surcharges on imported sugar, indiscriminate scanning charges as well as cross-border charges for foreign trucks entering or transiting Mozambique.

7. Mozambique's active participation in, and contribution to, the WTO was acknowledged by many Members. Highlighted in particular was Mozambique's support, as a member of both the ACP and the LDC groups, for the multilateral negotiations on fisheries subsidies. Some Members would like to see Mozambique making further efforts to implement existing WTO Agreements, including the customs valuation, SPS and TBT agreements. Mozambique's ratification of its Economic Partnership Agreement with the EU, could, in the view of the Mozambique delegation, help the country develop standards and build the capacity required for this purpose. Looking ahead, Members suggested that Mozambique consider participating in WTO plurilateral initiatives, such as

the Information Technology Agreement and the Agreement on Government Procurement. They also looked forward to Mozambique's early acceptance of the amendment to the TRIPs Agreement.

8. Regarding sectoral trade policies, Members commended Mozambique for working to transform its agriculture sector from subsistence to the commercial level through increasing productivity and product diversity. Members also noted the extensive efforts being made by Mozambique to effectively manage the expanding extractive industries, and underlined the importance of its membership in the Extractive Industries Transparency Initiative.

9. Members were aware of Mozambique's needs for technical assistance and capacity building in order to address supply-side constraints and other challenges. Mozambique was encouraged to work closely with other WTO Members and development partners to meet these needs.

10. At this meeting, Members have benefited from the informative introductory remarks and comprehensive responding statement delivered by Minister Tonela. It is very encouraging to hear him say that Mozambique considers the mechanism of periodic trade policy reviews to be a key element of the multilateral trading system, and that the system remains a priority for the country. This review will conclude in a month's time, when all outstanding questions have been answered. However, given the importance that Mozambique attaches to the review, I am confident that the extensive discussion we have had, as well as the insights shared by Members over the past two days will continue to inform the development of Mozambique's trade and trade-related policies in the coming years.