

Trade Policy Unit

Daily news and updates

(1) Unused In-Quota Quantity of Sugar TRQ Reallocated to Exporting Countries (Sandler, Travis & Rosenberg)

- The Office of the U.S. Trade Representative is reallocating 224,240 metric tons raw value (MTRV) of the original in-quota quantity of the fiscal year 2023 tariff-rate quota for imported raw cane sugar from countries that do not plan to fill their previously allocated quantities.
- USTR notes that allocations to countries that are net importers of sugar are conditioned on receipt of the appropriate verifications of origin and that certificates for quota eligibility must accompany imports from any country for which an allocation has been provided.
- Accordingly, Mauritius will be reallocated (in MTRV) a total of 3,539. Reallocations (in MTRV) for other African countries are as follows:
 - Eswatini – 4,719
 - Malawi – 2,949
 - Mozambique – 3,834
 - South Africa – 6,783
 - Zimbabwe – 3,539

(2) AfCFTA Secretariat and Afreximbank Sign AfCFTA Adjustment Fund Host Country Agreement with the Republic of Rwanda (Afreximbank)

- The AfCFTA Secretariat and African Export-Import Bank (Afreximbank), on 10 March 2023 in Kigali, signed the Host Country Agreement for the AfCFTA Adjustment Fund with the Republic of Rwanda. The Agreement paves the way for the operationalisation of the AfCFTA Adjustment Fund.
- The US\$10 billion Fund, headquartered in Kigali, Rwanda, is a critical instrument in the realisation of the African Continental Free Trade Area. It will help countries to implement agreed protocols and support African companies to retool for effective participation in the new trading regime.
- The AfCFTA Adjustment Fund will support AfCFTA State Parties to adjust smoothly to the new liberalised and integrated trading environment established under the AfCFTA Agreement by mitigating the potential adverse impacts of AfCFTA-induced tariff revenue losses. Also, the Fund will help to address the infrastructure deficits and supply chain bottlenecks to the implementation of the African Continental Free Trade Agreement.

- The AfCFTA Adjustment Fund consists of three sub-Funds, namely, the Base Fund, the General Fund, and the Credit Fund.
 - The Base Fund will utilise contributions from AfCFTA State Parties as well as grants and technical assistance to address AfCFTA-induced tariff revenue losses. It will also support countries to implement the various Protocols under the AfCFTA. The General Fund will mobilise concessional finance to support the development of trade-enabling infrastructure and execution of key industrialisation initiatives. The Credit Fund will be used to mobilise commercial funding to support both the public and private sectors enabling them to adjust and take advantage of the opportunities created by the AfCFTA.
- The Fund for Export Development in Africa (FEDA), the impact investment arm of Afreximbank, headquartered in Kigali-Rwanda, has been selected as the Fund Manager of the AfCFTA Adjustment Fund.

(3) WTO members discuss contribution of Services Council to implementing MC12 outcomes (WTO)

- Following up on outcomes from the 12th Ministerial Conference (MC12) on the response to pandemics and WTO reform, WTO members agreed to organize information-sharing sessions and discussed two submissions from India on health services, among other things, at a meeting of the Council for Trade in Services on 9 March.
- The information-sharing sessions will address the impact of the COVID-19 pandemic on several services sectors, the trade-facilitative measures introduced by members, and the impact of the pandemic on LDCs. The sectors for consideration will be information and communications technology and digitally delivered services, transport and logistics services, health services, and tourism services.
- On 10 March, members discussed the implementation of services commitments and issues related to financial services at separate meetings of the Committee on Specific Commitments and of the Committee on Trade in Financial Services respectively, two of the Council's subsidiary bodies.
- In the Services Council, members also addressed the LDC Services Waiver, which seeks to boost the participation of least-developed countries (LDCs) in services trade, and the E-commerce Work Programme. Also under consideration were various concerns voiced by members about measures affecting trade in services. Members also heard from the United Nations World Tourism Organization (UNWTO) initiatives to establish international standards for measuring the economic, environmental and social aspects of tourism.