

Seychelles

intra-Africa trade & tariff profile 2019



1. Introduction

Seychelles is member of both the Common Market for Eastern and Southern Africa (COMESA) and the Southern African Development Community (SADC).

- COMESA has 21 member states, 17 of which are part of the COMESA Free Trade Area – the DRC, Eritrea, Ethiopia and Somalia are all in the process of accession
- SADC is a Regional Economic Community (REC) which includes 16 member states – all the SACU countries, Zimbabwe, Zambia, Mauritius, Mozambique and Malawi. 13 SADC member states are in a Free Trade Arrangement (FTA); Comoros, Angola (recently made an offer) and DRC are yet to join

Members of the COMESA FTA:



Burundi
Comoros
Djibouti
Egypt
Eswatini
Kenya
Libya
Madagascar
Malawi
Mauritius
Rwanda
Seychelles
Sudan
Tunisia
Uganda
Zambia
Zimbabwe



DRC
Eritrea,
Ethiopia
Somalia

COMESA

Members of the SADC FTA:



Comoros
DRC
Angola
(recently made
an offer)

Botswana
Eswatini
Lesotho
Madagascar
Malawi
Mauritius
Mozambique
Namibia
Seychelles
South Africa
Tanzania
Zambia
Zimbabwe

SADC

2. Intra-Africa trade

For 2019, 3% of Seychelles' world exports & 9% of world imports were to and from the rest of Africa. Intra-Africa exports amounted to US\$28 million (14% decline compared to 2018 exports). Intra-Africa imports amounted to US\$134 million (12% less than in 2018).

80% of total intra-Africa trade are with fellow SADC countries South Africa & Mauritius. 53% of intra-Africa exports were destined for Mauritius and 13% for South Africa; mostly frozen fish & pleasure boats. Although intra-Africa imports are mainly sourced from South Africa & Mauritius there has

been a decline in the products sourced from most southern African countries while imports from some north and east African countries increased significantly (Egypt, Kenya & Mali). Almost all imports of olive oil, animal feed preparations & citrus fruit comes from fellow African countries.

Main destination markets

Mauritius, Madagascar, Ivory Coast, South Africa & Tunisia



Main source markets

South Africa
Egypt
Mauritius
Tunisia

Exports

Imports

Frozen fish



31% of Seychelles' world frozen fish exports

Pleasure boats



3% of Seychelles' world pleasure boat exports

Fish flour



6% of Seychelles' world fish flour exports

Liquefied gas steel containers



89% of Seychelles' world container exports

Personal effects & ship stores

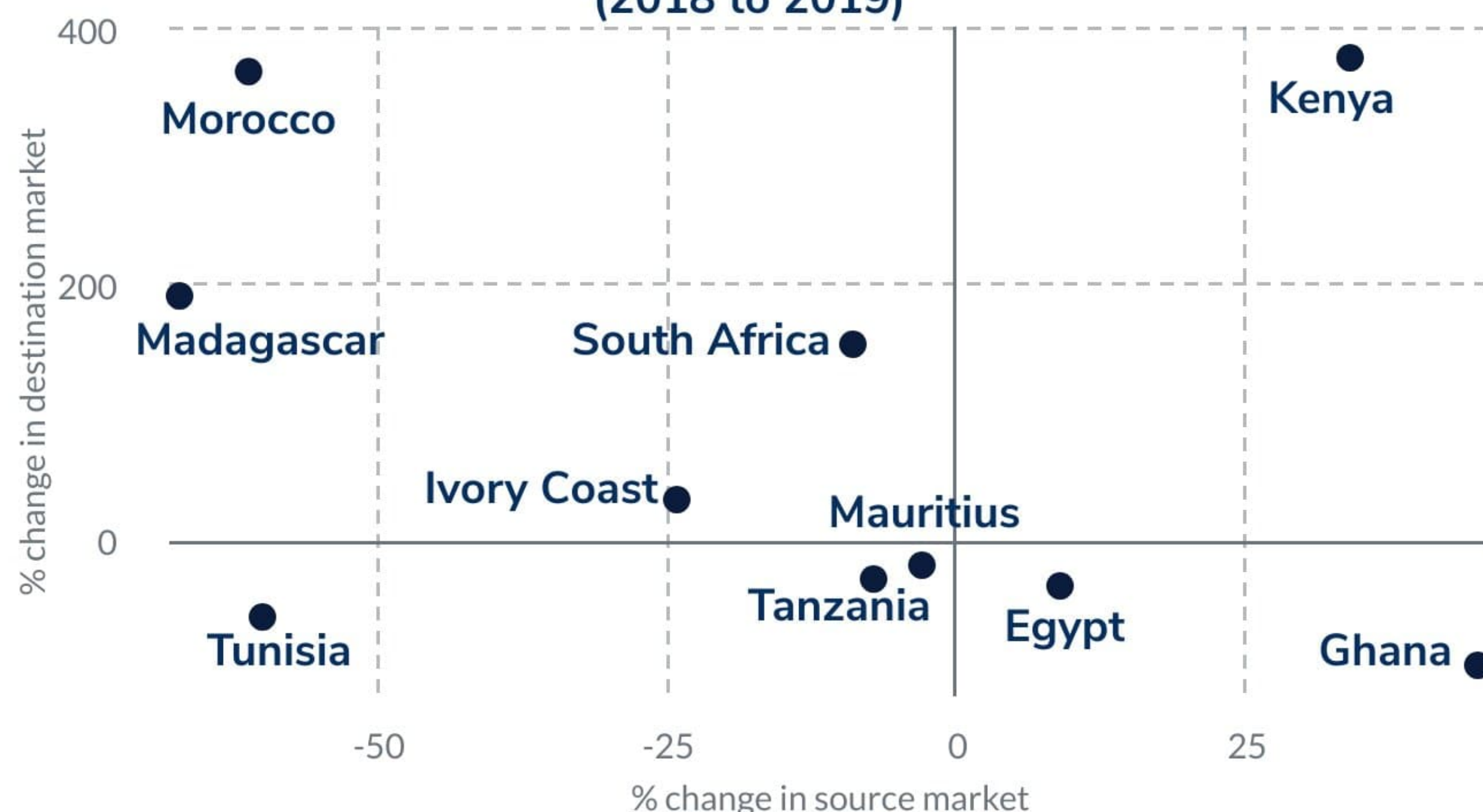


17% of Seychelles' exports of personal effects & stores

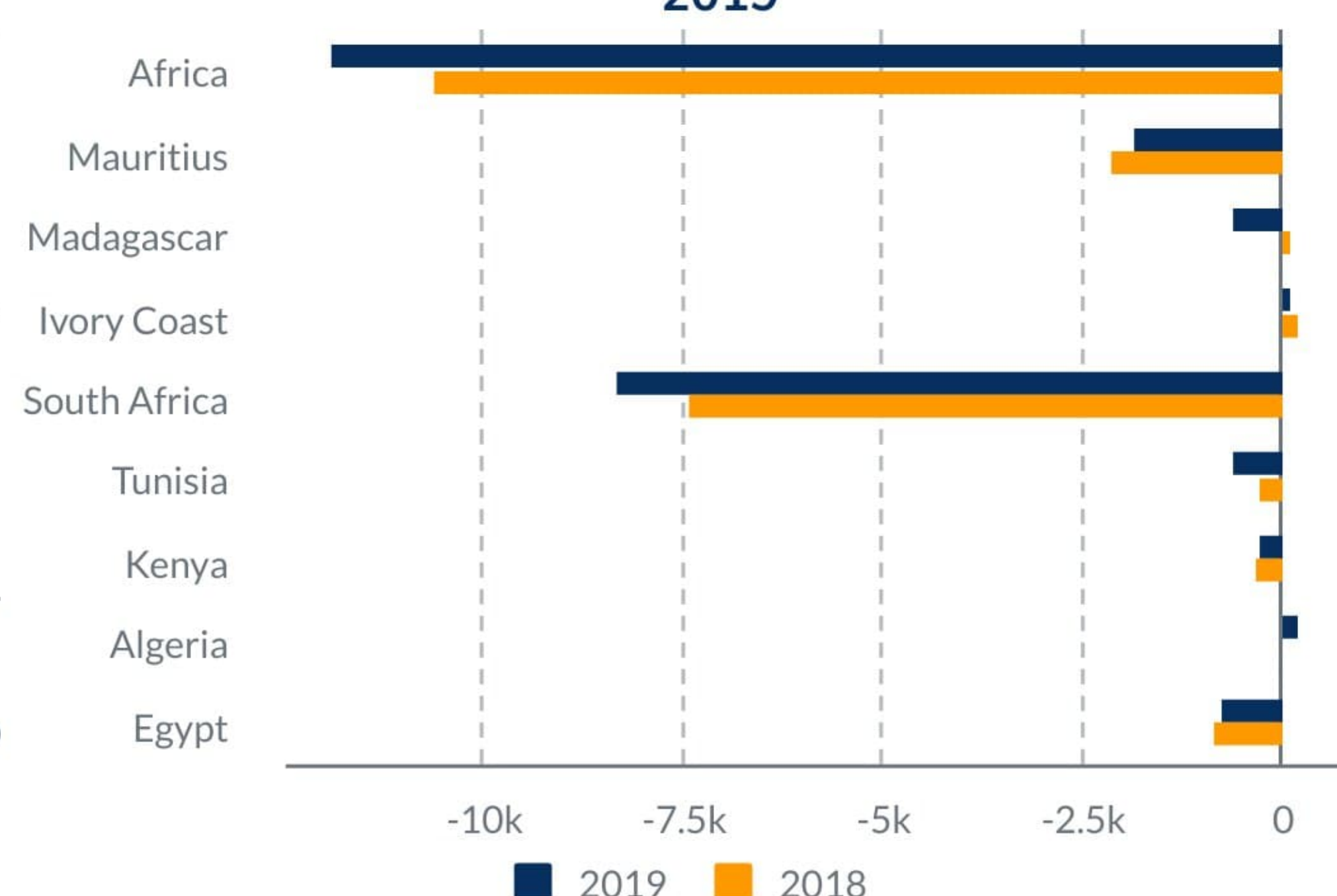
intra-Africa imports as % of world imports of designated products

Sawn wood (5%)	59%
Pleasure boats (4%)	2%
Olive oil (3%)	87%
Animal feed preparations (2%)	86%
Paper packaging (2%)	36%
Frozen fish (2%)	3%
Citrus fruit (2%)	85%
Organic surface agents (2%)	35%
Other vegetables (1%)	67%
Mobile telephones (1%)	19%
Other (76%)	

% change in exports to & imports from main African trade partners (2018 to 2019)



Trade balance with designated trade partners 2018 & 2019



3. Intra-Africa tariffs & non-tariff cost of trade
Most of the products from COMESA and SADC countries enter Seychelles duty-free. Imports from countries outside COMESA and SADC countries face MFN applied duties. There are 9 tariff bands - duty-free, 5%, 10%, 15%, 25%, 50%, 100%, 200% & specific/combined tariffs. However, the majority of imports are imported duty-free (89% of the national tariff lines).

0.5% of world & 15% of intra-Africa exports are to African countries outside COMESA & SADC. 73% of these exports are to Ivory Coast, mainly frozen fish (at 10% import duties in the Ivory Coast) and navigational instruments (5% duties levied in Ivory Coast). 95% of exports are frozen fish.

0.1% and 1% of respective world & intra-Africa imports are from African countries outside COMESA & SADC. 82% of imports are from Ivory Coast, Ghana & Congo the majority of which are imported into Seychelles free of duties. Of the main import products only pineapples and watermelons are each levied 15% duties, the rest of the main imports are all duty-free.

MFN duties & % of national tariff lines in each category

Duty-free 89%
live animals, beef & lamb; milk & cream; roses; nuts; dried stone fruit; spices; rice & maize; raw & refined sugar; preserved fruits & vegetables; natural sands & stone; leather items; wooden, glass, steel/iron & paper products; yarn, fabrics & clothing; vehicles & their parts and appliances

5% duties 0.4%
tobacco & tobacco refuse; paints & varnishes; prepared driers; plastic bags and tents & sails

10% duties 1.3%
foliage & branches; coca leaf; poppy straw; motorcycle pneumatic tyres; carpets & floor coverings; linens & curtains and engines

15% duties 1.3%
pork; fresh vegetables & fruits and motor vehicle & lorry pneumatic tyres

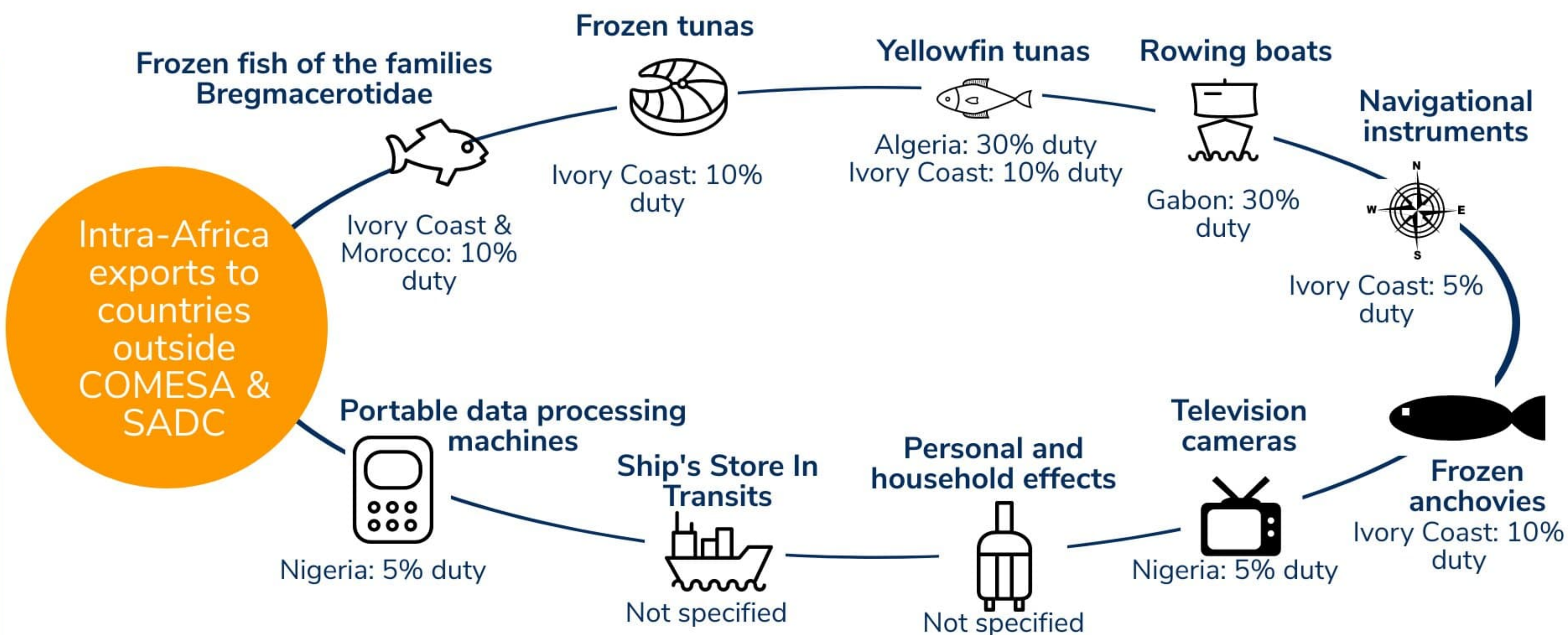
25% duties 5.4%
chicken meat; fish, fish products & all fish fillets; other fresh flowers; coffee & tea; blanket & travelling rugs; second-hand clothes and chassis & vehicle bodies

50% duties (14 products): eggs; plantains & bananas; avocados, mangoes & papayas; bread, candles & bulk toilet rolls

100% duties (2 products): fresh Salmonidae and crisps savoury snacks

200% duties (11 products): cigars; water-pipe, smoking & chewing tobacco; retreaded and used tyres

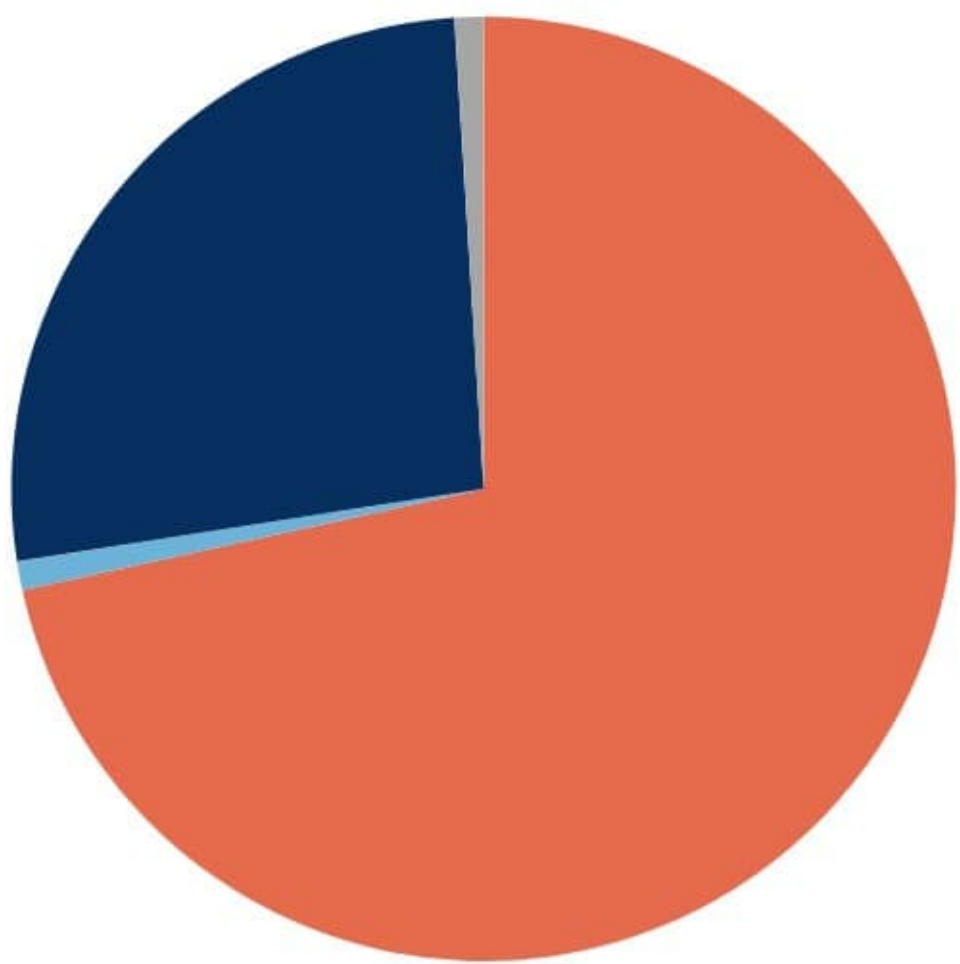
specific/com bined duties 2%
frozen chicken cuts; waters; non-alcoholic beverages; rum, vodka, whiskies, gin, beer, liqueurs & cider; most fruit juices and tobacco cigarettes



Seychelles' imports from outside COMESA & SADC

There are only a handful of products that are sourced from African countries outside COMESA & SADC - 78% of world imports of radar equipment and 73%, 62% & 52% of respective world imports of sapelli wood, navigational instruments & magnetrons.

Categories of duties & % of 2019 imports in each category



Duty-free (71.57%)
10% (0.98%)
15% (26.47%)
25% (0.98%)

18 of the top 20 products imported from outside COMESA & SADC are imported duty-free. These products include wood, navigational instruments, personal effects, seed oil, smart cards and electronic equipment. The only two products levied higher duties are imports of pineapples and watermelons both levied 15% duties.

- Ivory Coast (40%)**
 - Navigation instruments (duty-free)
 - Radar (duty-free)
 - Magnetrons (duty-free)
- Ghana (28%)**
 - Pineapples (15% duty)
 - Watermelons (15% duty)
 - Personal effects (duty-free)
- Congo (14%)**
 - Sapelli wood (duty-free)
 - Sawn pine (duty-free)
 - Sawn spruce (duty-free)
- Morocco (9%)**
 - Transmission apparatus (duty-free)
 - Sunflower-seed oil (duty-free)
 - Smart cards (duty-free)
- Nigeria (3%)**
 - Television cameras (duty-free)
 - Portable data processing machines (duty-free)
 - Beauty products (duty-free)

The non-tariff cost of bilateral trade between Seychelles & designated trade partners

The ESCAP-World Bank trade cost database includes the cost of transportation and the time to complete import procedures and obtain necessary information as non-tariff costs affecting bilateral trade between trade partners. Unfortunately the data for Seychelles is limited, especially for African countries. However, what the data shows is that there was an overall decline in non-tariff trade costs for agricultural goods trade between Seychelles and its trade partners between 2015 & 2016. For 2017, the cost of agricultural goods trade between Seychelles & South Africa and Mauritius were far lower than the cost of trade with Germany, Russia & the UK.

