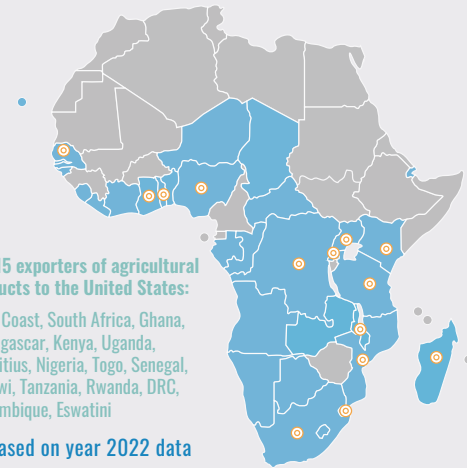


Spotlight on the agricultural sector

On 18 May 2000, the United States Congress passed legislation that granted goods, produced in eligible sub-Saharan African countries, preferential (duty-free) access to the US market. This legislation, known as the **African Growth and Opportunity Act (AGOA)**, builds on and expands preferences that the U.S. previously granted to a group of countries under its Generalized System of Preferences (GSP) arrangement. While AGOA has been subject to less frequent expiry and renewal processes compared to the GSP, it is currently set to expire in September 2025. After that, preferences fall away, unless the U.S. Congress extends the current provisions, or enacts other legislation in its place, or countries have a bilateral trade agreement with the U.S.

AGOA allows eligible goods to enter the U.S. free of import duty. Of the roughly 2,150 agricultural tariff lines (HTS8), approximately 600 are duty-free under standard entry into the U.S., while the remainder are subject to import duty unless qualifying under a preferential dispensation, such as AGOA. Here the AGOA program indicator covers over 1,300 tariff lines, offering U.S. importers of agricultural products produced in and source from an AGOA beneficiary country duty-free entry into the U.S. market.

AGOA beneficiary countries



KEY FEATURES : PREFERENTIAL MARKET ACCESS TO THE U.S. MARKET UNDER AGOA PREFERENCE

AGOA validity and time to expiry

Preferences for agricultural products are linked to the current expiry date of the AGOA legislation, which is set to happen on 30 September 2025. Thereafter, any preferences revert to GSP unless another arrangement or agreement has been put in place

SPS measures

Sanitary and phytosanitary (SPS) certificates are legal documents issued by the exporting country to certify that a shipment meets US plant and animal health standards. The regulations are drawn up by the US Animal and Plant Health Inspection Service (APHIS) and enforced by U.S. Customs authorities at the port of entry. Preferential market access under AGOA does not remove any obligations in terms of agricultural SPS standards.

Country eligibility

In order to be able to export textiles and apparel duty-free under AGOA, countries must have implemented an apparel visa system (see above). Of the 35 AGOA eligible beneficiaries in 2023, 23 countries are able to export textiles and clothing under AGOA preference.

Local processing rules

AGOA benefits are subject to a good being produced in, or substantially transformed in, an AGOA beneficiary country. For agricultural products, qualifying conditions are when a product is the growth of an AGOA beneficiary country (such as fresh fruit) or when it meets the general 35% local content rule in cases where some imported materials might also have been used (example, canned fruit).

Certification

Agricultural products, including processed food products, are subject to various regulations and notification requirements. These should be obtained prior to shipment through the relevant U.S. regulatory authorities, such as the U.S. Food and Drug Administration.

Trade regulations

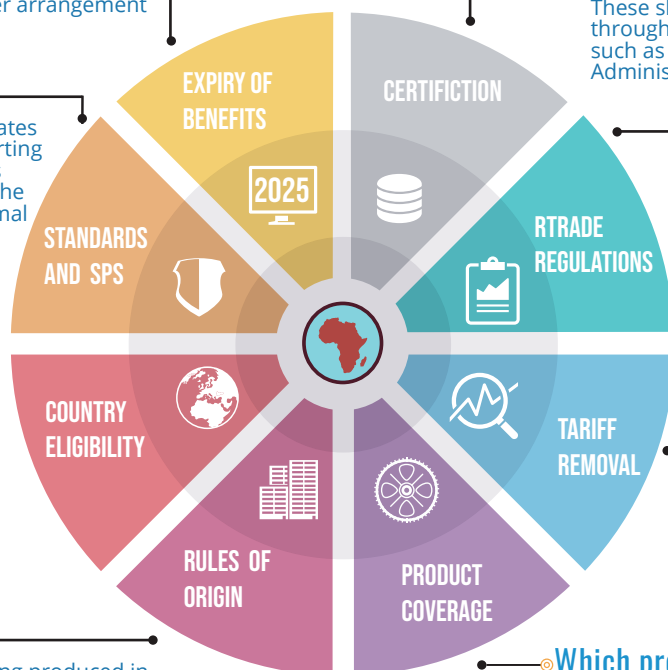
To import foreign fruits and vegetables, plants, seeds, and plant products into the US, the *importer* must apply for an agricultural import permit from APHIS and obtain a phytosanitary certificate from the exporting country. Phytosanitary certificates verify that plant quarantine officials from the exporting country have examined the plants for pests and diseases prior to export.

Import duties

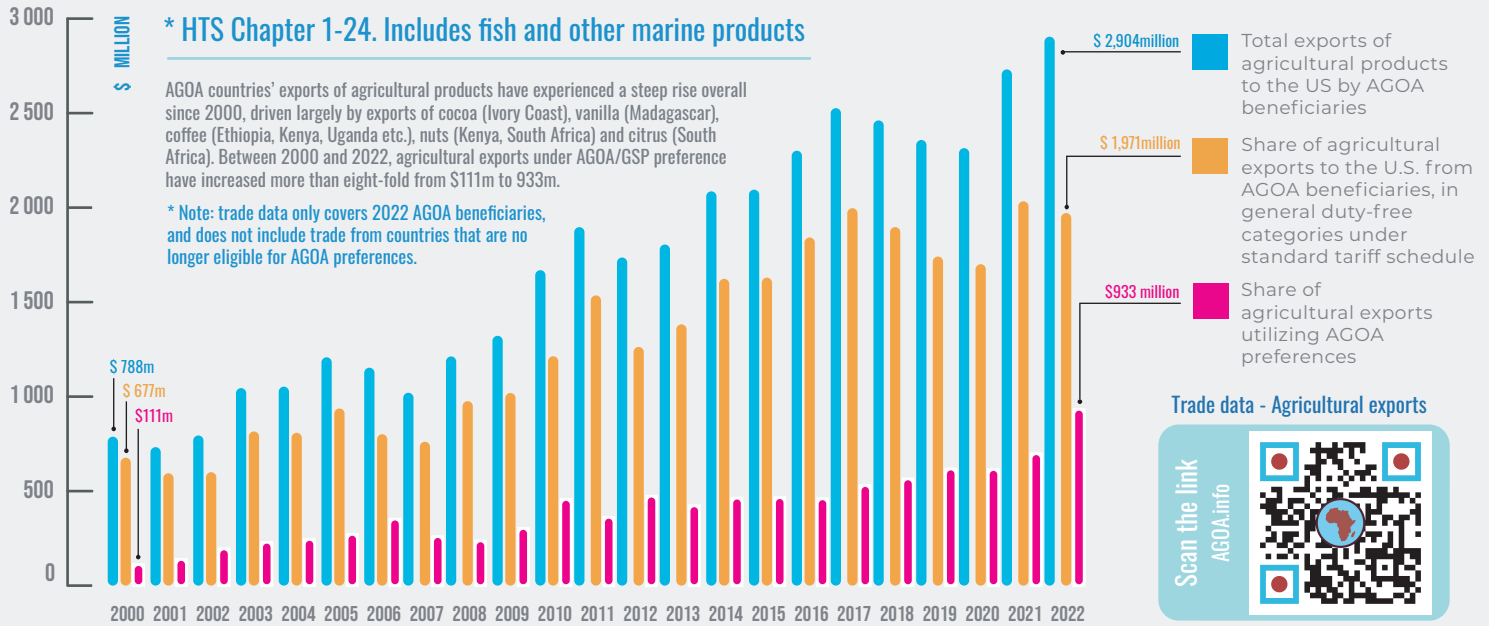
AGOA removes U.S. import duties on agriculture products when produced in, and exported directly to the U.S. - by an AGOA beneficiary country, giving such goods a valuable competitive advantage in the U.S.

Which products are included?

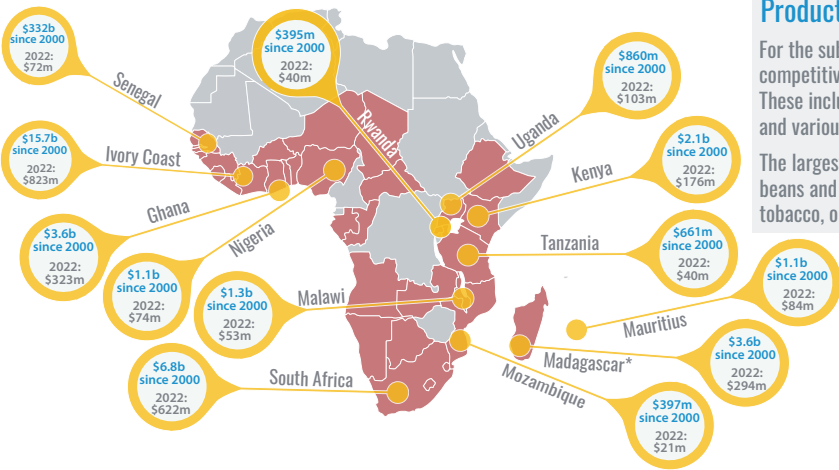
AGOA covers more than half of all agricultural sector (Chapters 1-24) tariff lines. Of the remaining tariff lines, a large majority are already duty-free under the general U.S. tariff schedule, while approximately 10% are currently subject to import duty in the U.S. outside of AGOA.



AGRICULTURAL* EXPORTS TO THE U.S. FROM AGOA COUNTRIES



LEADING EXPORTERS OF AGRICULTURAL PRODUCTS TO THE U.S.



Products currently being exported to the United States

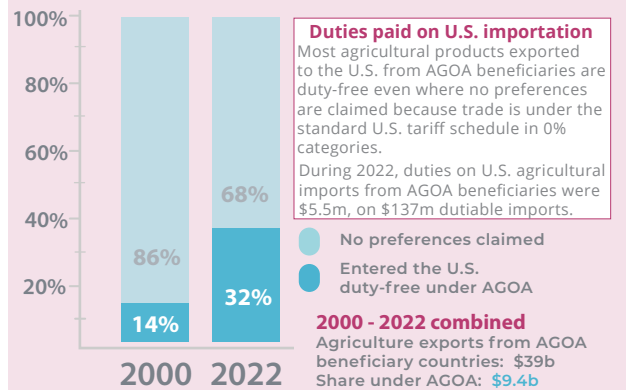
For the sub-Saharan African agricultural sector, AGOA has been a valuable source of competitive advantage in categories that were previously subject to U.S. import duties. These include citrus fruit, macadamia nuts, cane sugar, wine, canned tuna, ethyl alcohol, and various other agricultural products.

The largest export products (by value) shipped to the U.S. from AGOA beneficiaries are cocoa beans and paste, vanilla, coffee, nuts (especially macadamia and cashew), vegetable extracts, tobacco, oil seeds, tea, fish and fish products, raisins, yams, onion seeds, gum Arabic, etc.

Leading exporters of agricultural products to the U.S. in 2022

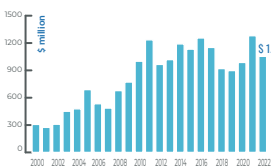
Ivory Coast	S. Africa	Ghana	Madagascar	Kenya	Uganda	Mauritius	Nigeria	Togo	Senegal	Malawi
\$823m	\$622m	\$328m	\$294m	\$176m	\$103m	\$84m	\$74m	\$73m	\$72m	\$53m
Share AGOA \$127m	Share AGOA \$447m	Share AGOA \$86m	Share AGOA \$3.7m	Share AGOA \$78m	Share AGOA \$7.4m	Share AGOA \$4.6m	Share AGOA \$7.5m	Share AGOA \$24m	Share AGOA \$70m	Share AGOA \$37m
Cocoa beans, paste, butter, chocolate, nuts, cocoa powder, preserved fish, starches	Citrus fruit, nuts, wine, grapes, edible ice, fruit, fish, crustaceans	Cocoa beans, paste, cassava, nuts, soy beans	Vanilla, cloves, chocolate, vegetable saps, fish	Coffee, nuts, live plants, tea, veg. waxes	Coffee, vanilla, soy beans, oil seeds, fish, live plants	Fish, live animals, sugar, fish fillets, vanilla, nuts, cloves	Cocoa beans, coconuts, medicinal plants, bran, oil seeds	Soybeans, soybean oilcake, vegetable waxes	Preserved fish, crustaceans, fresh fish, molluscs	Tobacco, nuts, tea, sugar, coffee, veg. fats

Proportion of agricultural exports from AGOA beneficiary countries that entered the U.S. under AGOA / GSP preferences



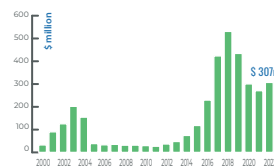
COCOA (HTS 1801, 1803, 1804, 1805)

2022 \$ 1.05b 2000-2022 \$ 19.1b



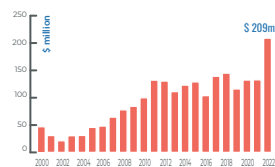
VANILLA (HTS 0905)

2022 \$ 307m 2000-2022 \$ 3.6b



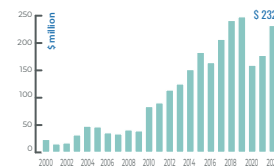
COFFEE (HTS 0901)

2022 \$ 209m 2000-2022 \$ 2.2b



NUTS (HTS 0801, 0802)

2022 \$ 232m 2000-2022 \$ 2.5b



CITRUS FRUIT (HTS 0805)

2022 \$ 133m 2000-2022 \$ 1.2b

