

Kantoor van die Premier
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Reference :
Verwysing : 3/2/2
Isingqinisiso :

Date :
Datum : 7 July 2023
Umhla :

Mr William Shpiece
Chair of the Trade Policy Staff Committee
Office of the United States Trade Representative
600 17th Street NW
Washington, DC 20508

Docket Number: USTR-2023-0003

2024 AGOA Eligibility Review
Relevant Country: South Africa
Submission: Request to testify

Dear Mr Shpiece

REQUEST TO TESTIFY – 2024 AGOA ELIGIBILITY REVIEW – SOUTH AFRICA

Thank you for the opportunity afforded by the Office of the United State Trade Representative to participate in the 2024 AGOA Eligibility Review. This letter is a *request to testify* at the virtual public hearing on 24 July 2023. I have also submitted a *written comment* in a separate document for your consideration.

The Western Cape Province, located in the south-western region of South Africa, has a robust and growing economic and commercial relationship with the United States (U.S.), much of which is underpinned by AGOA. With an unemployment rate of 25.2%, one of the highest GINI coefficients in the world, and with 48.7% of its

population living in poverty and surviving with less than US\$86.56 per month, the Western Cape desperately needs AGOA - to improve economic growth in order to create jobs and lift our citizens out of poverty.

The Western Cape province is a significant contributor to the economy of South Africa and strong investor into the rest of Africa. It is a province that is deeply invested in the wellbeing of its citizens, and the prosperity of its businesses. Our written submission aims to provide an overview of the Western Cape Province in South Africa, its close economic and commercial links to the U.S., and to highlight the role that AGOA plays in the economy of the province.

The economic relationship between the United States and the Western Cape is robust and growing. The Western Cape's diverse and dynamic economy attracts investment from U.S. companies—big and small—and the United States has been the top foreign direct investor in the Western Cape for many years. U.S. companies have invested in the province, have created tens of thousands of jobs, offered training and skills development, and supported local communities through outreach and humanitarian programs in the Western Cape.

AGOA is highly utilised in key export sectors in the province, contributing significantly to achieving the development impacts of exports. The programme is an important incentive for FDI into sub-Saharan Africa, including the Western Cape. Removing South Africa's AGOA eligibility would directly impact on jobs and livelihoods, hurt U.S. importers and investors with established value chains, harm future investment prospects, and undermine regional integration aspirations.

South Africa is integral to the success of other sub-Saharan countries in accessing AGOA, through logistics for example. By excluding SA from AGOA, this would be impacted, and undermine other countries. We work hard in ensuring strong economic-and other ties between the United States and South Africa, and the continued inclusion of South Africa in AGOA would serve to further enhance this.

I would therefore like to request an opportunity to provide oral testimony at the virtual public hearing on 24 July 2023.

Yours faithfully,

A handwritten signature in black ink, appearing to be 'Ar Winde', written in a cursive style.

MR AR WINDE

PREMIER