

eligible handloomed, handmade, or folklore articles, and ethnic printed fabrics (Category 9).

FOOTWEAR

All footwear from AGOA countries is duty-free, provided it meets RoO -- needing a change of tariff headings to 6401 to 6405, and has >35% regional value in appraised value of product.

This 35% regional value comprises costs or value of materials produced in one or more AGOA countries, plus direct cost of processing operations performed in one or more AGOA countries, with no more than 15% coming from the U.S.

TEXTILE INCLUDING HOME TEXTILE

Textile or textile articles originating entirely in one or more lesser-developed beneficiary country (Category 0) are also duty-free. This covers fibers, yarn, fabric, made-up goods such as towels, blankets, sheets, and floor coverings.

TRAVEL GOODS

All non-textile travel goods from AGOA are duty-free in the U.S. market, provided they meet RoO. The RoO requires change to given tariff headings (part of series 4202) subject to regional value content of > 35% of appraised value of product. However, travel goods made of textile fabric are not eligible for duty-free entry unless they are recognized as handmade/handloomed, ethnic printed or folklore items listed for each country under "Category 9".

HOW TO EXPORT UNDER AGOA

Register the business for purposes of demonstrating the credibility and legality of the business entity, and then follow these general steps:

- Exporter prepares an invoice
- Exporter obtains a Certificate of Origin
- Exporter obtains AGOA Visa (Note: only for textiles and apparel exports)
- Exporter/ importer completes export logistics to U.S.
- Importer makes declaration to Customs at U.S. Port of Entry

More details on the export process under AGOA are available here: <http://www.eatradehub.org/agoa-country-specific-export-guidelines>



HOW TO ENGAGE WITH THE HUB ON AGOA AND TRADE PROMOTION:

- Visit our website: www.eatradehub.org
- Ask our AGOA expert: www.eatradehub.org/ask-an_agoa_expert
- Join our Facebook Group: www.fb.com/groups/eaagoaexporters
- Follow us on Twitter: [@InvestEAFrica](https://twitter.com/InvestEAFrica)
- Send an email to info@eatradehub.org

USEFUL LINKS

www.agoa.info - Official AGOA information site.

www.tralac.org - Information on trade capacity building in East and Southern Africa.

<https://hts.usitc.gov/> - Information on U.S. import tariffs.

<http://www.fda.gov/> - Information on U.S. regulations on food, drugs, cosmetics and medical devices.

<http://www.usda.gov/> - Information on U.S. policy and regulations governing food, agriculture and natural resources.

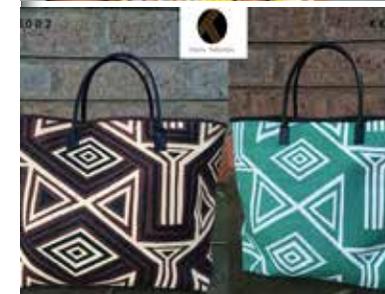
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Seizing AGOA Opportunities in East Africa

African Growth & Opportunity Act (AGOA)



The USAID East Africa Trade and Investment Hub (the Hub) boosts trade and investment with and within East Africa. It does this by deepening regional integration, increasing the competitiveness of select regional agricultural value chains, promoting two-way trade with the United States (U.S.) under the African Growth and Opportunity Act (AGOA) and facilitating investment and technology to drive trade growth intra-regionally and to global markets. The Hub supports the U.S. Government's presidential Trade Africa and Feed the Future initiatives.

TRADE PROMOTION & AGOA

The Hub is the one-stop shop in the East African region for businesses and national governments seeking to take advantage of AGOA. The Hub supports Ethiopia, Kenya, Madagascar, Mauritius, Rwanda, Tanzania, and Uganda to increase their exports to the U.S. through AGOA.

By the end of the project, the Hub expects to increase non-oil exports to the U.S. by 40 percent. In its first two years of operation, the Hub supported more than \$175 million in AGOA exports to the U.S.

In collaboration with key institutions, the Hub develops and tailors trade-enhancing activities to specific countries and sectors, as informed by national AGOA strategies. It also identifies and works with private sector associations and companies to foster impactful trade and investment in the region.

The Hub focuses its trade promotion and AGOA support in the following areas:

- Country-level strategy development and implementation
- Market-linkages support, trade fairs and buyers' missions
- Firm-level technical assistance
- Information dissemination and training

In the following five sectors:

1. Textile/Apparel
2. Home Décor/Fashion Accessories
3. Footwear
4. Specialty Food/Coffee
5. Cut Flower

WHAT IS AGOA?

AGOA is a U.S. trade preference program that provides incentives for sub-Saharan African countries to become more globally competitive by making economic and commercial reforms. The main

WANT TO EXPORT TO THE U.S.?

You can access the U.S. market duty-free under the African Growth and Opportunity Act (AGOA)



incentive is the opportunity to export goods, from a list of nearly 7,000 products, to the U.S. without paying import duties. In 2015, AGOA was renewed until 2025.

COUNTRY ELIGIBILITY

There are approximately 40 AGOA - eligible sub-Saharan African countries. (This number changes from time to time.) To remain eligible for AGOA, each country must work to improve its rule of law, human rights, and respect for core labor standards. AGOA-eligibility requirements are set out in Section 104 of the AGOA legislation.

The U.S. determines annually whether countries have met the published eligibility requirements. Beneficiary status may therefore be granted, or withdrawn, at the discretion of the U.S. President. Go here to read AGOA-eligibility requirements in detail <https://agoa.info/about-agoa/country-eligibility.html>

AGOA PRODUCT ELIGIBILITY

AGOA-eligible products may enter the U.S. free of import duty. Products must comply with the relevant local processing (Rules of Origin) as well as customs requirements. More information on AGOA product eligibility is available at <https://agoa.info/about-agoa/product-eligibility.html>.

Apparel sector tariff lines also qualify where countries have met the AGOA "apparel visa" requirements. AGOA-eligible products comprise inter alia items previously excluded under GSP such as footwear, luggage, handbags, watches, coffee, fruit juices, nuts, chocolates, dairy products and certain automotive components. Most goods produced by East African nations are eligible for duty-free export to the U.S.

RULES OF ORIGIN

Rules of Origin (RoO) detail the working and processing that must be undertaken locally in order for a product to be considered the "economic origin" of the exporting country. This distinction becomes necessary and important where some of the materials used in the production or manufacture of a good are imported from other countries.

KEY FEATURES OF AGOA'S GENERAL (NON-TEXTILE AND APPAREL) ROO:

- The product must be imported directly from the AGOA-beneficiary country into the U.S.
- Items must be "growth, product or manufacture" of one or more AGOA-beneficiary countries. These requirements can be met jointly by more than one AGOA beneficiary leading to 'cumulation of origin'
- Products may incorporate materials sourced from outside countries i.e. non AGOA-beneficiaries provided that the sum of the direct cost or value of the materials produced in one or more designated AGOA-beneficiary countries, plus the "direct costs of processing" undertaken in the AGOA-beneficiary country(ies), equal at least 35% of the product's appraised value at the U.S. port of entry i.e. Cost of local materials + direct cost of processing must >= 35%
- In addition, a total of up to 15% of the 35% local content value (as appraised at the U.S. port of entry) may consist of U.S.-originating parts and materials. This concept is called "bilateral cumulation of origin".

More details on RoO are available at <https://agoa.info/about-agoa/rules-of-origin.html>.

APPAREL PROVISIONS

AGOA provides duty-free and quota-free treatment for eligible apparel articles made in qualifying sub-Saharan African countries until 2025. Qualifying articles include: apparel made of U.S. yarns and fabrics; apparel made of sub-Saharan African (regional) yarns and fabrics until September 30, 2025, subject to a cap; apparel made in a designated lesser-developed country of third-country yarns and fabrics until September 30, 2025, subject to a cap; apparel made of yarns and fabrics not produced in commercial quantities in the U.S.; textile or textile articles originating entirely in one or more lesser-developed beneficiary sub-Saharan African country; certain cashmere and merino wool sweaters; and