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EAST AFRICA
TRADE
+ INVESTMENT
HUB

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East Africa Trade and Investment Hub

Boosting trade and investment with and within East Africa



Duration

September 2014 -
August 2019



Funding level

\$65 Million



Presidential
initiatives

Trade Africa



Feed the Future



Where we work

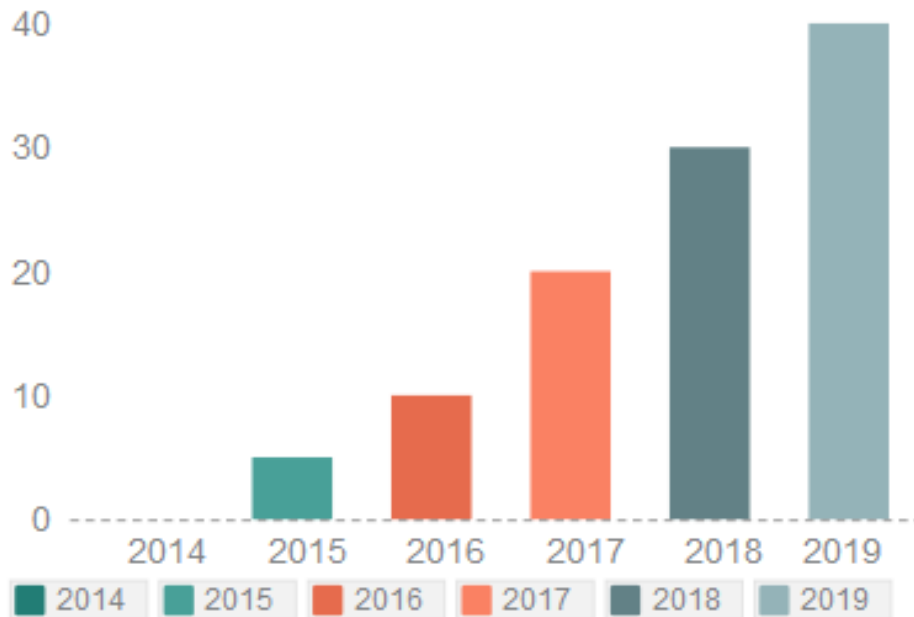
Kenya . Uganda . Tanzania . Rwanda . Burundi
Ethiopia . Mauritius . Madagascar







Expected Accomplishments

40% increase in non-oil exports to the U.S. under the **African Growth and Opportunity Act (AGOA)**



Sectors:

Textiles / Apparel 

Speciality Food / Coffee 

Cut Flowers 

Home Decor / Fashion 

Footwear 



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Expected Accomplishments

10,000

jobs created by 2019





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Expected Accomplishments

\$100 million

worth of new investments
facilitated in targeted sectors in
the EAC





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Expected Accomplishments





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Core Program Areas



GOAL: Increase regional private sector capacity to Export

- ✓ US is largest consumer market in world
- ✓ The USG has extended trade preference programs around the world

For Africa



African Growth and Opportunity Act (AGOA)



The African Growth & Opportunity Act

was signed into US law in 2000

Duty-free, quota-free entry to the U.S. for most goods

- Extends GSP program (allowing duty-free entry of 4,500+ products) for AGOA-eligible countries
- Expands GSP – adds approx. 2,000 new tariff line items
(most significantly: textiles & apparel)

As a Result of...

- 1) Extended GSP
- 2) Expanded GSP
- 3) New treatment for qualifying apparel articles...

**almost all products of AGOA beneficiary countries
may enter the United States duty-free.**

Indeed... over 95% of U.S. imports from AGOA beneficiary countries enter duty-free.



AGOA Apparel Eligibility

- ✓ For apparel exports to the U.S., AGOA Eligible Countries must also become AGOA Apparel eligible
- ✓ What this means: an effective visa system must be in place to ensure country of origin and guard against trans-shipment

AGOA Apparel Provisions

“Special Rule” for Lesser Developed Countries:

Third-Country Fabric Provision

- Allows duty-free access to U.S. market for apparel made from *fabric originating anywhere in the world*

AGOA Extension

AGOA Extended until 2025

Why is this significant?

- ✓ Long-term extension gives confidence to investors
- ✓ Third-country Fabric provision linked with overall AGOA

AGOA: Trends

- Major U.S. buyers are increasingly taking a serious look at Africa
- Several U.S. companies have committed to shifting a certain percentage of their worldwide sourcing to Africa
- Others are looking to invest or draw investments in their supply chains to Africa

National Government Response to the AGOA Opportunity

- A renewed strategic approach to the U.S. market
- AGOA Action Plans: sector and product-specific strategies
- Addressing Trade Facilitation issues
 - Time/cost of transport
 - Energy costs



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Internet Resources

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Thank you!