

US-Africa programme should be extended through 2041, Senate Democrat says

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A trade programme that grants exports from qualifying African countries duty-free access to the US market should be extended by 16 years, said Democratic Senator Chris Coons, a leading voice on US-Africa policy.



Source: Reuters.

Talks are underway for the renewal of the two-decade-old African Growth and Opportunity Act (Agoa), which is due to expire in 2025.

African countries want a 10-year renewal of the pact ahead of the 2024 US election. President Joe Biden's administration is also seeking the program's reauthorisation but has called for certain reforms.

Coons, a member of the Senate Foreign Relations Committee, has sponsored a bill that seeks to integrate Agoa and the African Continental Free Trade Agreement, which includes the majority of African nations.

According to a draft version of the bill, the program would maintain benefits for countries as they grow wealthier, allowing them to remain until they are determined to be high-income for five years, instead of removing them if they reach that threshold for a single year.

"My Agoa Renewal Act would extend this program, incentivising investments that will create jobs, bolster economic development, and strengthen our standing in the region," Coons said in a statement.

Ben Cardin, the committee's chairman, supports the programme's reauthorisation, but believes there should be changes to how eligibility criteria is applied, an aide said.

James Risch, the panel's top Republican, wrote in a letter to Biden administration officials on Thursday, 2 November, that he supports the early reauthorisation of the programme, but wants to see changes to its eligibility criteria and other modifications.

More than \$10bn worth of African exports entered the United States duty-free under the programme in 2022. The pact has bipartisan support in Washington, but there are divisions on how to update it.

US Trade Representative Katherine Tai said on Saturday, 4 November that Agoa should aim to boost usage of the programme by countries that qualify, though she did not give details on how it would do so.

American business groups have said they need certainty over Agoa, so that African countries are able to take advantage of a global push to reduce dependence on Chinese manufacturing.

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