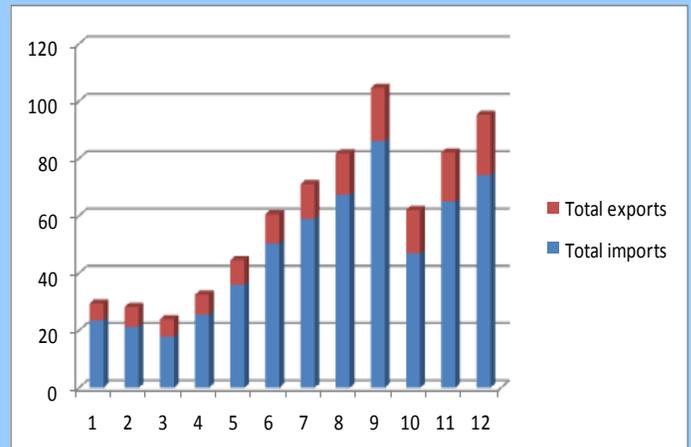




The Africa Growth and Opportunity Act: Understanding U.S. Trade and Investment in sub-Saharan Africa

The 12-year old African Growth and Opportunity Act (AGOA) is the U.S. Government's signature trade initiative with sub-Saharan Africa. AGOA is a one-way preference program that provides the most liberal trade access to the U.S. market available to any country or region with which we do not have a free trade agreement. By providing tangible trade benefits to countries making tough political and economic reforms, AGOA reinforces African reform efforts, provides a framework for improved access to U.S. credit and technical expertise, and establishes a high-level dialogue on trade and investment in the form of an annual U.S.-sub-Saharan Africa Trade and Economic Forum.

There are 40 countries currently eligible to receive AGOA benefits, with the reinstatement of these benefits to Niger, Guinea and Cote d'Ivoire in 2011. AGOA gives duty free treatment to 1,800 products in addition to the standard 4,600 products available to non-AGOA Generalized System of Preferences (GSP) beneficiary countries. AGOA provides duty-free and quota-free treatment for eligible apparel articles made in qualifying sub-Saharan African countries through 2015. Under a Special Rule for lesser-developed beneficiary countries, those countries with a per capita GNP under \$1,500 in 1998 will enjoy an additional preference in the form of duty-free/quota-free access for apparel made from fabric originating anywhere in the world. The Special Rule is in effect until September 30, 2012 and is subject to a cap. Unless renewed, AGOA will expire in 2015.



Note: The table shows U.S. exports and imports from the 48 sub-Saharan African (SSA) countries. Source: USITC and the Department of Commerce

The annual U.S.-sub-Saharan Africa Trade and Economic Cooperation Forum (the AGOA Forum) serves as the U.S. government's premier high-level, bilateral event with our African partners and provides us with a major opportunity to advance our trade and economic policy goals. The AGOA Forum traditionally consists of three elements: a government-to-government ministerial dialogue, a private sector conference, and a civil society event. This year, there will be an additional private sector event in Cincinnati, Ohio.

The 2012 AGOA Forum will focus on enhancing infrastructure development in Africa in four ways: (1) promoting an improved business climate and effective regulation that will encourage private-public partnerships; (2) increasing regional economic integration through strategic development of regional transportation corridors, regional power pools, and power generation capacity that can be shared across borders; (3) highlighting opportunities for U.S. exports in infrastructure related products and support for U.S. investment in the sector; and (4) encouraging the adaptation of renewable energy and energy efficient products.

Over the years, AGOA Forum discussions have focused on how to improve AGOA utilization by beneficiary countries. The annual AGOA Forum is a mix of programs and events that will take place during the month of June. The United States will host the 2012 AGOA Forum Ministerial June 14-15 in Washington, DC. This event will be preceded by a two-day civil society program June 12-13. The Corporate Council on Africa (CCA) will host its infrastructure conference June 18-20, and the U.S.-Africa Business Conference (USABC) will be held in Cincinnati, Ohio June 21-22.