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Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NO. 595

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Inkosi R N Cebekhulu (IFP) to ask the Minister of Trade, Industry and Competition:

Given that the African Growth and Opportunity Act, popularly known as the AGOA, which allows most sub-Saharan African countries duty-free access to the American market for almost 7,000 products is due to expire in 2025, and the fact that South Africa's preferential market access to the United States of America is under review, what measures has he put in place to ensure that the outcomes of the discussions between South African officials with their American counterparts are favourable to the South African market? NW651E

REPLY

The African Growth and Opportunity Act (AGOA), enacted by the US Congress in 2000, extends preferential market access to the US market for around 5 235 products from eligible countries in Sub Saharan Africa. South Africa is a beneficiary country under AGOA. AGOA has been extended twice in 2008 and again in 2015 and the current term of AGOA continues until 2025. A decision to extend, adjust or finally terminate AGOA is expected to be decided by the US Congress in 2025.

Country eligibility for AGOA is subject to annual reviews, the last one of which was initiated in May 2020. Eligibility criteria include requirements that a country has established or is making progress toward establishing a market-based economy, the rule of law, political pluralism, the right to due process, amongst other things. South Africa participated in the AGOA review and submitted responses at public hearings to questions raised by several interested parties. The review process was concluded in November 2020 and South Africa remains a beneficiary under AGOA.

The South African and US Governments are in ongoing interaction on a range of trade and investment issues of mutual interest. The last Ministerial in-person bilateral

engagement was held in December 2019 in Washington DC shortly before the Covid-19 pandemic, followed by virtual engagements at bilateral and multilateral level, including by trade officials.

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