

Voluntary Report – Voluntary - Public Distribution

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Report Name: AGOA Supports South African Agriculture

Country: South Africa - Republic of

Post: Pretoria

Report Category: Trade Policy Monitoring

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Report Highlights:

The African Growth and Opportunity Act (AGOA) which provides preferential market access to the United States is due for reauthorization in 2025. South Africa is the largest beneficiary among eligible countries for AGOA.

AGRICULTURAL TRADE – AGOA BENEFITS FOR SOUTH AFRICA

WHAT IS AGOA?

The African Growth and Opportunity Act (AGOA) is a United States Trade Act, signed into law in 2000 and reauthorized for an additional 10 years in 2015. By building on the U.S. Generalized System of Preferences (GSP), AGOA provides eligible sub-Saharan African countries with duty-free access to the U.S. market for over 6,800 products, including over 1,300 agricultural products. Of the thirty-six AGOA eligible countries, South Africa consistently ranks as top AGOA user, as well as the number one agricultural exporter under AGOA. By providing market opportunities, AGOA helps bolster economic growth, promote trade and investment, and improve U.S. economic relations in the region.

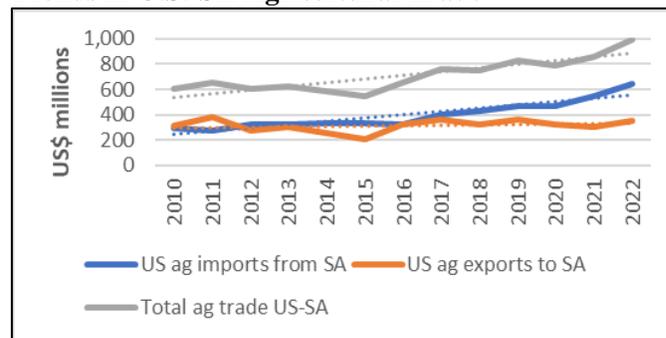
BILATERAL AGRICULTURAL TRADE – UNITED STATES AND SOUTH AFRICA

U.S. – SA Agricultural Trade

(US\$ millions)	2020	2021	2022
U.S. ag exports to SA	\$324	\$308	\$351
% of total exports from U.S.	7.3%	4.7%	4.3%
U.S. ag imports from SA	\$468	\$549	\$646
% of total imports from SA	6.5%	4.2%	6.0%

Source: USDA BICO Report, August 2023

Trends in U.S.-SA Agricultural Trade

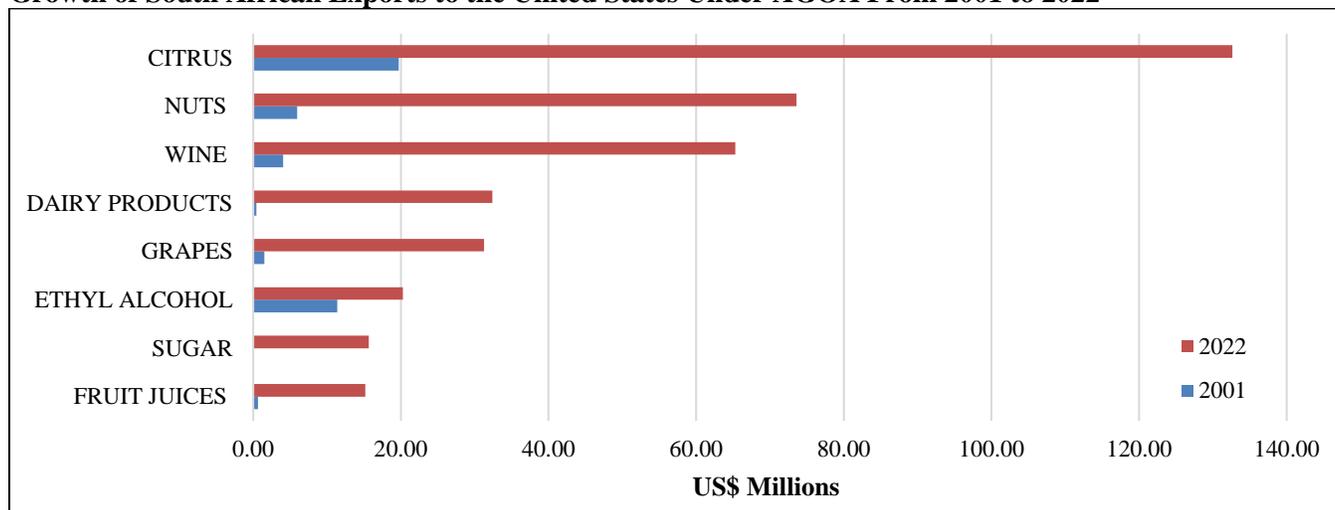


Source: Trade Data Monitor LLC

BENEFITS OF AGOA FOR THE SOUTH AFRICAN AGRICULTURAL SECTOR

- Two-thirds of agricultural products SA exports to the U.S. are exported tariff free under AGOA.
- SA has exported more than US\$7 billion (R125 billion) of agricultural products to the U.S. under AGOA since 2000.
- SA’s agricultural exports to the U.S. surged 5-fold or by average 16 percent per annum since the start of AGOA.
- SA’s total value of agricultural trade to the U.S. reached record a level of US\$646 million (R12 billion) in 2022.
- The U.S. is SA’s 6th largest market for agricultural products.
- AGOA has helped bolster South Africa’s agricultural sector create new growth and job opportunities.
- Agricultural industries that benefited most from AGOA include citrus, nuts, wine, dairy, table grapes, fruit juice, industrial alcohol, and sugar through tariff free access to the United States market.

Growth of South African Exports to the United States Under AGOA From 2001 to 2022



Source: U.S. International Trade Commission and U.S. Department of Commerce.

Attachments:

No Attachments.