

COMMITTEE ON WAYS AND MEANS
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515

January 19, 2022

Commissioner Jason E. Kearns
Chairman
U.S. International Trade Commission
500 E Street SW
Washington, D.C.

Dear Chairman Kearns:

In 2000, Congress enacted the African Growth and Opportunity Act (AGOA), as part of the Trade and Development Act of 2000, to encourage increased trade with the United States and to foster economic development in the countries of sub-Saharan Africa (SSA). The provisions of AGOA provide preferential tariff treatment to certain eligible goods imported into the United States from beneficiary SSA countries.

Currently, the AGOA program expires on September 30, 2025. As the Committee considers the future of the program, I request, on behalf of the Committee, pursuant to section 332(g) of the Tariff Act of 1930, that the U.S. International Trade Commission (the Commission) conduct an investigation and provide a report on the AGOA program in general and its usage. The report should also provide industry case studies to better understand the relative competitiveness of each sector and its impact on workers, economic development, and poverty reduction. The report should include the following:

1. An overview of the AGOA program and its use, which should include, to the extent practicable:
 - a. A description of the program, including eligibility requirements, rules of origin, and scope of product coverage, including products not eligible for duty-free treatment under AGOA;
 - b. An overview of U.S. imports from AGOA eligible countries to the United States, highlighting the top exporting countries and top primary and value-added products, and separately identifying imports entered under AGOA, imports entering under an AGOA-eligible tariff line where no preference was claimed, and imports of non-AGOA eligible goods;
 - c. Identification of countries and sectors where AGOA utilization rates are, respectively, high and low, and broad factors that explain this; and

- d. A qualitative examination, including a review of the available literature, of the role that AGOA has played in regional integration, and the extent to which AGOA has impacted workers and underserved communities, and contributed to economic development—including job growth and poverty reduction—in SSA countries.
2. Case studies for the following industries, to the extent practicable:
- a. Cotton
 - i. An overview of the cotton industry in AGOA beneficiary countries, identifying top AGOA producers and trends in production, consumption, and exports, and including a discussion of how the sector contributes to employment, economic development, and poverty reduction;
 - ii. A qualitative analysis of the competitive strengths and weaknesses of production and exports of cotton in SSA countries; and
 - iii. An examination of the use of SSA-grown cotton in the AGOA or SSA apparel supply chain.
 - b. Apparel
 - i. An overview of the apparel industry in AGOA beneficiary countries, identifying top AGOA producers and trends in production, consumption, and exports, and including a discussion of how the sector contributes to employment, economic development, and poverty reduction;
 - ii. A qualitative analysis of the competitive strengths and weaknesses of production and exports of apparel in SSA countries;
 - iii. Explanation of AGOA’s additional apparel eligibility requirements and the effect of the loss and recovery of AGOA beneficiary status on the apparel industry;
 - iv. A description of the AGOA rules of origin for apparel and an examination of the relationship between the rules and production and exports to the United States; and
 - v. An examination of the degree of regional integration in the apparel supply chain in AGOA countries and, to the extent available, information regarding the country of origin of inputs, such as fabrics, yarns, fibers, and trims.
 - c. Certain Chemicals

- i. An overview of the chemicals industry in AGOA beneficiary countries, identifying top AGOA producers and trends in production, consumption, and exports, and including a discussion of how the sector contributes to employment, economic development, and poverty reduction;
- ii. A qualitative analysis of the competitive strengths and weaknesses of production and exports of certain chemical products in SSA countries; and
- iii. An examination of the relationship between AGOA preferences and SSA exports of certain chemicals to the U.S. market.

d. Cocoa

- i. An overview of the cocoa industry, including growing operations and processing, in AGOA beneficiary countries, identifying top AGOA producers and trends in production, consumption, and exports, and including a discussion of how the sector contributes to employment, economic development, and poverty reduction;
- ii. A qualitative analysis of the competitive strengths and weaknesses of production and exports of cocoa in SSA countries; and
- iii. An examination of the relationship between AGOA preferences and SSA exports of cocoa and cocoa-related products to the U.S. market.

I request that the Commission transmit its report no later than 14 months following receipt of this request. It is my intent to make the Commission's report available to the public in its entirety; therefore, the report should not include any confidential business information. I appreciate the Commission's assistance and cooperation in this matter.

Sincerely,



The Honorable Richard E. Neal, *Chairman*
Committee on Ways and Means