



May 15, 2026

Ambassador Jeffrey Goettman
Deputy United States Trade Representative
Office of the U.S. Trade Representative
600 17th Street NW
Washington, DC 20509

RE: Request for Comments on the Modernization of the African Growth and Opportunity Act (AGOA),” [Federal Register Docket No. USTR-2026-0166](#).

Ambassador Goettman,

The U.S. Chamber of Commerce (“the Chamber”) welcomes the opportunity to offer the following comments as the Office of the U.S. Trade Representative (USTR) works with Congress to pragmatically modernize and promptly extend the African Growth and Opportunity Act (AGOA), which will expire December 31. Given AGOA’s looming expiry, the Chamber urges policymakers to pragmatically approach the program’s modernization scope to ensure long-term renewal.

AGOA’s Significance to the U.S. Economy

AGOA represented a shift from the traditional aid-based approach to the African continent to one that favors market-based economic growth. The program provides preferential access to the U.S. market for qualifying products from Sub-Saharan African countries meeting certain eligibility requirements. These requirements focus on market-based economy principles; rule of law and political pluralism; elimination of barriers to U.S. trade and investment; protection and robust enforcement of intellectual property (IP); efforts to combat corruption; and protection of human rights and worker rights, among other points. In return, the legislation provides an opportunity to forge new trade and investment partnerships with African countries, while allowing the U.S. to pursue its strategic and global security interests on the continent.

AGOA has strengthened trade and investment ties between the U.S. and Sub-Saharan Africa. According to USTR’s 2024 Biennial [Report](#) on the program’s implementation, total two-way goods trade with Sub-Saharan Africa totaled \$47.5 billion in 2023. U.S. exports reached \$18.2 billion in 2023, up 10.4% from \$16.5 billion in 2021 (primarily due to increased exports of aircraft and petroleum products). USTR is expected to release its next report in the coming months.

As the business community contemplates ways the program can be modernized, the U.S. Chamber encourages policymakers to sensibly examine how the program can enhance

trade in ways that reinforce African efforts to spur economic growth, expand commercial linkages to the United States, and support supply chain connectivity. Additionally, AGOA should continue to serve as a mechanism to encourage Sub-Saharan African governments to dismantle structural barriers to U.S. trade and investment. As outlined by one sector, AGOA-eligible countries supply materials that are critical to the broader U.S. industry's competitiveness, including critical inputs in early-stage production. Ensuring uninterrupted access to these materials under AGOA is essential to sustaining U.S.-led innovation, protecting high-skilled American jobs across the research, manufacturing, and development sectors.

AGOA has served for more than 25 years as a cornerstone of U.S. trade policy toward Sub-Saharan Africa, contributing to increased exports, job creation, and deeper commercial ties. However, AGOA was designed for a global economy dominated by goods trade and does not adequately reflect the realities of today's economy, which is increasingly shaped by digital trade, services, data flows, and technology-enabled value creation. As Congress considers AGOA reauthorization, modernization is essential to ensure that the program remains relevant, effective, and aligned with U.S. economic and national security objectives.

AGOA preferences remain overwhelmingly focused on physical goods – a structural limitation that constrains export diversification, limits participation by small and medium-sized enterprises (SMEs), and reduces AGOA's ability to catalyze U.S. investment in high-growth sectors. Modernization offers an opportunity to align AGOA with contemporary trade realities while preserving its development-oriented, non-reciprocal character.

In sum, African governments should be incentivized to remove impediments to trade and investment with the United States. To enhance economic growth and development, AGOA should encourage efforts to promote trade facilitation, expand market access, protect and enforce intellectual property commitments, extend fair treatment to foreign investors, and improve the business climate in African countries. One way to encourage incentives would be to facilitate financing benefits through the U.S. Export-Import Bank (Ex-Im Bank) and the U.S. International Development Finance Corporation (DFC), which is outlined in more depth below. Additionally, the administration could use the program as a means to negotiate agreements and address barriers to U.S. exports as reported in the National Trade Estimate.

The Chamber urges you to consider the following concentrated recommendations to ensure a timely and extended renewal this year:

Importance of Long-Term Renewal

The expiry of AGOA later this year creates significant uncertainty for the business community, which was experienced during the approach of the 2025 deadline. The looming expiration affects commerce and investment trends well in advance of the program's actual termination. Continued cooperation between the U.S. and the African Union beyond AGOA will also be critical in facilitating African partner country aspirations to deepen regional integration, develop plans to engage the U.S. in bilateral and multilateral trade agreements, and support growth in regional trade.

The uncertainty spurred by short-term renewals discourages these long-term sourcing commitments. Supply chains require predictability across lead times, compliance, logistics, scale, and vendor capability. A multi-year (e.g. 15-year) AGOA extension is essential for the program to achieve its intended goals of bolstering investment and supply chain resilience. Depending on the sector, some companies note that it takes 7-10 years to establish and build out supply chains to begin to recoup respective investments. Its reauthorization should take into account such timeline realities to deliver intended benefits.

Delayed renewal also risks missing an important window of opportunity as companies continue to shift production out of China due to increased costs, forced labor concerns, and political risks. Securing a comprehensive AGOA renewal will increase company interest in assessing opportunities to invest in and source from Africa, especially when domestic alternatives are not available. Additionally, several countries have implemented AGOA-like programs in the region, including China [earlier this month](#). As policymakers contemplate renewal, such competitive factors should drive the program's prompt extension.

Risk-Based Graduation, Eligibility Program Considerations

Modernization should preserve accountability while reducing avoidable commercial disruption by creating a more predictable, risk-based eligibility review process that gives stable, well-performing beneficiaries greater certainty while preserving the ability to act quickly in response to serious human rights, governance, or national security concerns. Vague or inconsistently applied eligibility criteria make it harder for U.S. companies to assess country-level risk and commit to supplier development. For sourcing and investment relationships to be durable, beneficiary countries must maintain legal and regulatory environments that provide basic commercial predictability tied to rule-of-law indicators relevant to commercial activity. Applying credible and timely enforcement where criteria are not met, while favoring targeted (product-specific, sector-specific) or graduated remedies before full country termination would enhance the program's overall enforcement. Additionally, establishing a longer regular eligibility review cycle, rather than annual reviews, would provide greater certainty for U.S. importers while preserving the ability to conduct ad hoc, out-of-cycle reviews where necessary.

The Chamber urges policymakers to adopt a phased or tiered approach to graduation and reciprocity that avoids abrupt loss of benefits, includes clear milestones, and provides sufficient advance notice for importers, suppliers, and workers to adjust. Consideration should also be given to providing more flexibility in responding to beneficiary countries that fail to meet the program's conditions. Under current law, countries lose eligibility for AGOA benefits once they become "high-income" as defined by the World Bank. One approach would be for countries to maintain "high-income" status for five consecutive years before being declared eligible for graduation. The original concept of graduating from the program was to envision eligible countries advancing to broader trade agreements with the U.S. The program should be viewed as the foundation from which to build more comprehensive trade agreements.

Given AGOA's looming expiry, the Chamber urges policymakers to pragmatically approach the program's modernization scope. While the core eligibility criteria have demonstrated value since AGOA's inception, narrow additions could be made to better address today's geopolitical challenges. In addition to some targeted ideas below, one such addition would be to consider establishing language aimed at incentivizing critical mineral partnerships, specifically with countries with mining, processing and refining capabilities.

Current AGOA eligibility criteria focus primarily on governance, market-oriented reforms, and respect for the rule of law. While these criteria remain important, including those related to enforcing IP rights, they do not reflect the growing importance of regulatory frameworks that enable digital and services trade. AGOA modernization should facilitate digital trade with the United States, including by refraining from measures that discriminate against U.S. digital services or U.S. products distributed digitally and encouraging progress on:

- Ensuring the free transfer of data across borders for the conduct of business
- Interoperable and transparent digital payment systems
- Enabling cross-border digital financial services
- Online consumer protection and cybersecurity
- Enabling environments for digital entrepreneurship
- Collaborating with the US to address cybersecurity and resilience challenges

Data collection, data processing and enabling secure data transfer will increase access to technologies that can be deployed by businesses in Africa across markets. Progress in these areas could be linked to enhanced AGOA benefits or participation in new digital-focused components, without imposing rigid or universal requirements.

In addition, while eligibility requirements are set out in legislation, there are no clear guidelines for reinstatement or partial denial of benefits. Clarifying eligibility requirements and definitional criteria would provide a clearer roadmap and incentives for countries wishing to make the necessary changes to re-enter the program. The establishment of objective reinstatement pathways would allow countries, suppliers, and U.S. importers to better understand what corrective actions are required and plan accordingly.

Adherence to International Standards

To optimize utilization rates of the program, it is essential for the U.S. government to continue pressing African nations to embrace international trade commitments, such as those underpinned by the World Trade Organization's (WTO) Trade Facilitation Agreement. Prioritizing this agreement's implementation will highlight countries' commitments to efficient customs and port procedures and signal to the global business community their clear intent to undertake real economic reforms.

Additionally, AGOA should require African nations to refrain from applying customs duties on electronic transmissions—and support a permanent moratorium on such duties—in exchange for AGOA eligibility. This is a small but economically important ask to make of

countries interested in preferential access to the U.S. market, especially as the U.S. continues these efforts both within and outside of the WTO. The moratorium will ensure small and medium-sized businesses in Africa have access to digital tools, cross-border data-sharing and opportunities to reach worldwide markets.

Policymakers should also consider ways to improve regulatory and procurement alignment, including by strengthening sanitary and phytosanitary (SPS) and technical barriers to trade (TBT) cooperation to reduce barriers to U.S. agriculture and consumer goods exports. Regulatory advancements would also be helpful for the pharmaceutical sector. This includes advancing regulatory convergence by aligning regional standards and approval processes with internationally recognized frameworks to reduce duplicative requirements that impede market entry for U.S. exporters. Public procurement frameworks should also be modernized to incorporate better pathways for specialized access programs that unlock market access for innovative therapies and change from “lowest price” to “value-based” procurement.

The new AGOA should also find ways to promote digital supply chain financing (SCF), which would mitigate the high cost of traditional trade finance mechanisms that are key barriers to Africa’s export growth. Small and medium-sized businesses – the backbone of most of Africa’s economies – are disproportionately affected by this problem. Digital SCF solutions have a critical role to play in addressing these challenges by reducing the time and monetary costs associated with obtaining such services, allowing companies to gain better supplier visibility and unlocking greater economic participation of smaller businesses.

As African countries benefit from increased trade under AGOA, the need for reliable digital services grows. Telecommunications infrastructure is crucial for supporting digital trade platforms, e-commerce, and other online services, which can thrive under improved trade conditions. Enabling digital trade and connectivity through the deployment of telecommunications infrastructure in Africa creates jobs for U.S. companies involved in manufacturing, installation, and maintenance of related equipment. Accordingly, contemplating ways AGOA can facilitate the deployment of telecommunications infrastructure on the continent will increase demand for U.S. technology products and services, thereby creating additional, high paying jobs. Digital upskilling language should also be considered as a way to boost employment, tech transfer, indigenous innovation, and economic growth.

Addressing Industrial Policy, Other Barriers

Tariff preferences alone do not determine whether goods move efficiently into or out of African markets. Non-tariff barriers, customs delays, port inefficiency, labeling and standards friction, and opaque import procedures add cost and unpredictability for both U.S. exporters and U.S. importers sourcing from Africa. AGOA modernization should address these issues, coupled with technical assistance, where appropriate. The proliferation of industrial policies and unenforced trade rules are often cited as key barriers in promoting value chain development in Africa. Increased alignment between AGOA and the African Continental Free Trade Area (AfCFTA) agreement implementation on trade opportunities and a greater understanding of the continent’s developmental needs can help the U.S. in addressing these

barriers. In this respect, U.S. companies should work with governments to ensure that existing policies can effectively assess and support Africa’s evolving industrial landscape, which includes assessing specific barriers to exports, complex regulatory procedures, production costs and policy delays.

Accordingly, AGOA should complement and operate in parallel with the AfCFTA, which has the potential to integrate manufacturers into the global economy and accelerate sustainable economic development. Stakeholders involved in AGOA and the AfCFTA need to be aligned on economic opportunities and facilitate knowledge-sharing to increase trade volumes, bridge financing gaps and address complex trade rules and other policy challenges. Encouraging public-private partnerships between U.S. companies and African counterparts will be essential in this respect. Such partnerships can leverage private sector expertise and funding, lead to the deployment of critical infrastructure and boost trade without disrupting existing inter-African trade dynamics.

Additionally, there are African countries deploy a variety of discriminatory trade practices that undermine international companies. Regulations and other practices that favor state-owned postal companies over private sector companies in the express delivery sector are one prominent example. Express delivery networks are separate and distinct from postal systems and are further subject to all relevant national and international regulations.

Charging arbitrary fees on the express sector as a means to prop up domestic firms removes any incentive on express delivery carriers to operate in region—thus cutting a country off from valuable export lanes. Relatedly, postal regulators license express carriers in a manner that adds costs, complexity, and frictions and so restrains efficient and effective trade. A new AGOA should assess these kinds of market barriers.

The new legislation should also streamline visa requirements associated with duty-free entry into an AGOA country, which are increasingly difficult for companies to comply with.

Additional Entrants, Sectors to Consider

Today, the chief beneficiaries of AGOA are established local and international businesses. A reauthorized AGOA should support existing companies while also creating conditions for the emergence of new entrants, which are likely to develop as the AfCFTA is implemented.

Furthermore, the AGOA program excludes many products that could be of great value for trade with Sub-Saharan Africa. The Administration should consider adding additional products that promote economic and supply chain diversification. Supplier diversification supports resilience, but it also supports affordability: broader sourcing options can reduce concentration risk, increase competition across supply chains, and help retailers preserve affordable choices for U.S. consumers. Unlocking that potential requires lead time, compliance alignment, logistics reliability, and vendor capability development. AGOA modernization should therefore focus on helping suppliers reach commercial scale in categories that can strengthen

supply-chain resilience and improve affordability for American households. In this respect, the Chamber supports the extension of AGOA’s third-country fabric provisions. AGOA should also support downstream manufacturing and enable businesses to export finished goods, delivering benefits that extend beyond the export of primary goods.

AGOA should also be modernized to explicitly recognize and support exports of digitally deliverable services, including software development, financial services, electronic payment services, business process outsourcing, and digital creative content. This could be achieved through the establishment of a dedicated “digital and services” track within AGOA consistent with the program’s original intent to support economic development and diversification. Such recognition would expand AGOA’s relevance beyond traditional manufacturing sectors and enable broader participation by firms and entrepreneurs across the region.

Incentivization of Manufacturing, Supply Chain Diversification and U.S. Job Creation

Modernization should help diversify trade into commercially relevant categories while supporting U.S. competitiveness, retail affordability, and domestic jobs in logistics, distribution, compliance, technology, and related services. In this sense, policymakers should prioritize capacity building and trade facilitation measures in categories with scalable retail relevance, including apparel, home textiles, processed food and agricultural products, light consumer goods, household basics, and selected manufactured products. The program should also consider the following improvements in this respect:

- Encourage more value-added production in Africa while maintaining safeguards against obvious third-country transshipment or abuse;
- Create flexible, incentive-based mechanisms that encourage greater use of U.S.-origin inputs, services, and technology in AGOA supply chains, including agricultural inputs, packaging, logistics, cold chain, compliance tools, retail systems, and warehouse equipment;
- Ensure any changes to sourcing or rules of origin are simple and phased in gradually, with sufficient transition periods and advance notice, so that importers and African suppliers can adjust production, compliance systems, and sourcing strategies without undermining current trade flows;
- Consider how to account for digital or intangible value creation, such as software, design, data, and logistics platforms embedded in goods and services, to show the full breadth of U.S. value added in AGOA-compliant products;
- Gauge approaches that support regional value chains, including recognition of qualifying African regional inputs where appropriate, to help build greater production depth on the continent and reduce supply-chain concentration.
- Avoid hard mandates that would make sourcing commercially unworkable or undermine AGOA utilization and;
- Recognize that diversified sourcing from Africa can reduce concentration risk, improve resilience, support U.S. retail and logistics jobs, and help preserve affordable product options for American consumers.

Improving Investment Environment

Complex and inconsistent regulatory environments can deter U.S. companies from investing in Africa. Simplifying and harmonizing regulations across African countries as the AfCFTA seeks to do can reduce these barriers, create transparency and attract more investment. Clear regulations can reduce the risk for investors and facilitate long-term planning. Additionally, offering incentives for sectoral projects – such as telecommunications infrastructure – can make Africa a more appealing destination for U.S. investment. These incentives can help offset high initial costs of infrastructure deployment.

Certain prerequisites also underpin the establishment of a well-functioning environment that allows for robust private investment in health infrastructure. AGOA can serve as a powerful catalyst for pharmaceutical investment in Africa if participating countries demonstrate commitment to a core set of foundational policies that together create the predictability, efficiency, stability, and sustainability necessary to attract private investment. In addition to regulatory harmonization, some of these core policies include whole-of-government commitments to stable and sustained healthcare financing; predictable legal environment vis-a-vis IP protection and enforcement; R&D support; and value-based procurement policies.

AGOA's market-access focus has not been matched by sufficient growth in U.S. private investment, particularly in technology-enabled sectors. Modernization should leverage AGOA as a platform to encourage U.S. investment in:

- Digital infrastructure, including connectivity, cloud services, and data centers
- Fintech and digital identity ecosystems
- Technology-enabled trade facilitation and logistics

Pairing updated AGOA preferences with investment facilitation would support U.S. competitiveness while advancing shared economic development objectives.

Small and Medium-Sized Businesses and E-Commerce Facilitation Track

AGOA utilization remains highly concentrated among a small number of large exporters and countries. Small and medium businesses face significant barriers related to customs procedures, logistics, compliance costs, and access to digital payments.

AGOA modernization should include a dedicated SME and e-commerce facilitation track, incorporating:

- Simplified procedures for low-value, high-frequency shipments
- Improved alignment with e-commerce platforms and trade facilitation tools
- Targeted assistance to help SMEs meet U.S. regulatory and consumer standards
- Supporting the development of safe, efficient, interoperable, secure, affordable, and accessible cross-border electronic payments by fostering the adoption and use of internationally accepted standards, promoting interoperability of electronic payments systems, fosters the adoption of international standards, and encouraging useful innovation and competition in electronic payments services

Expanding SME participation would broaden AGOA's development impact and support more inclusive economic growth.

Development Financing and Role of Other Agencies

Across categories, supplier competitiveness depends on the broader ecosystem around production: upstream inputs, reliable infrastructure, workforce capability, processing and packaging capacity, cold chain, traceability, compliance systems, and the ability to meet U.S. standards at scale. Building these capabilities in AGOA countries would directly benefit the United States by creating more resilient and diversified supply chains, expanding opportunities for U.S. inputs, equipment, logistics, technology, financing, and compliance services, and helping retailers deliver affordable products to American consumers. In this way, development finance and technical assistance – especially in the form of specialized trade hubs – can translate AGOA preferences into durable commercial relationships that support African supplier growth while advancing U.S. economic interests.

The U.S. Export-Import Bank (Ex-Im) is a vital part of the economy and supports American jobs by financing the export of U.S. goods and services to international markets. Sub-Saharan Africa is a priority region for Ex-Im. Since 2010, Ex-Im has supported more than [\\$13.5 billion](#) of transactions to 39 of the 49 countries across Sub-Saharan Africa. Over the past several years, the Bank has authorized loans and associated projects in Angola, Cote d'Ivoire, Gabon, Ethiopia, Senegal, Cameroon, and Tanzania.

The Bank is up for reauthorization in December. Without congressional action, it would be unable to approve new transactions. The U.S. Chamber therefore urges policymakers to also avoid lapses in Ex-Im renewal, which is critical to the success of programs like AGOA.

On a similar note, the U.S. business community has supported activities carried out by the U.S. International Development Finance Corporation (DFC), which was reauthorized last year. It has proven its worth beyond Africa but has also supported more than \$10 billion in investments in key sectors such as critical minerals, infrastructure, women's economic empowerment, healthcare, climate and agriculture. Ensuring the program's resources are promptly allocated and appropriations continue will also be key to underpinning AGOA's success.

The recent Memoranda of Understanding (MOUs) signed through the State Department's America First Global Health Strategy also present a meaningful opportunity to complement AGOA's efforts to address non-tariff barriers faced by the pharmaceutical sector, many of which are addressed in the bilateral MOUs that have been signed to date. The private sector stands ready to continue its partnership with the U.S. government as these MOUs are implemented.

Incorporating financing via the U.S. International Development Finance Corporation and Export-Import Bank, plus macroeconomic policy and technical assistance via the Departments of Treasury, Agriculture and State, with commercial advocacy tools of the Department of

Commerce and U.S. Trade and Development Agency would fully leverage the entire U.S. interagency suite to strengthen U.S. exports to African markets and increase AGOA utilization.

Conclusion

As the U.S. government further defines its U.S.-Africa trade relations, the Chamber appreciates the opportunity to provide this input, and we look forward to continuing to engage on this critically important trade program to meet the realities of today.

Sincerely,

A handwritten signature in blue ink that reads "Kendra L. Gaither". The signature is written in a cursive style with a large initial 'K' and a distinct 'L'.

Kendra Gaither
Senior Vice President for African Affairs and
President of the U.S.-Africa Business Center