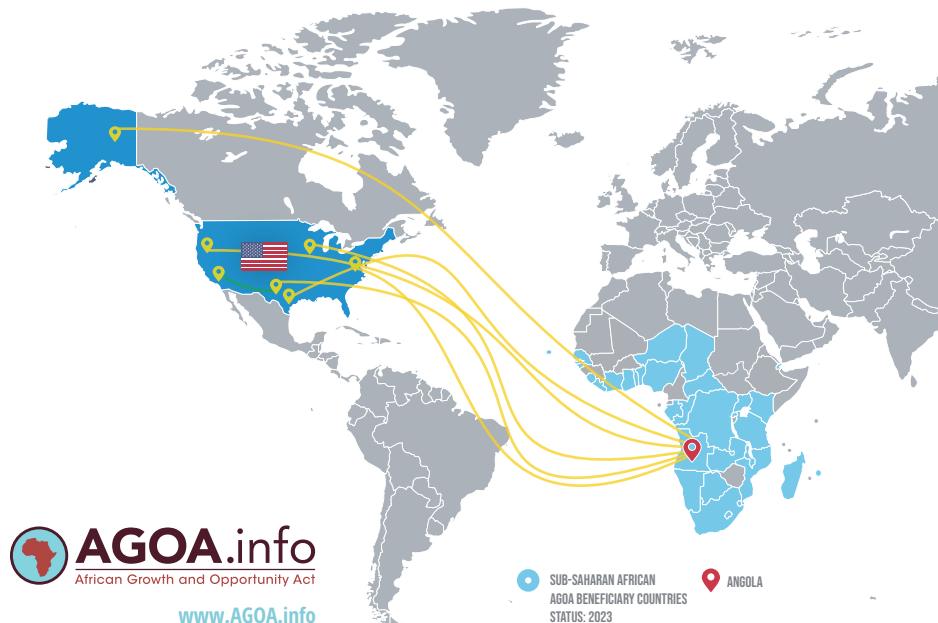


AGOA AND ANGOLA

THE AFRICAN GROWTH AND OPPORTUNITY ACT



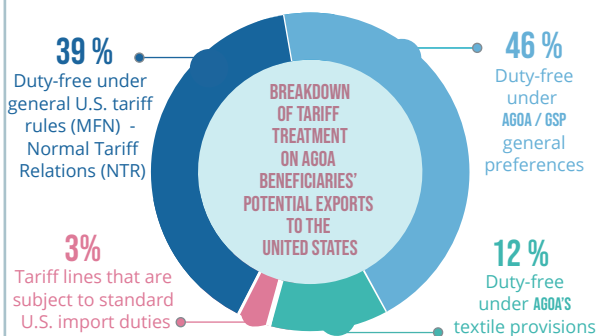
Angola is one of currently 35 Sub-Saharan African countries that benefit from preferential access to the United States market under the African Growth and Opportunity Act (AGOA), which grants +/- 6,700 products duty-free status.

United States importers of products that are made in **Angola** are able to import these goods duty-free, enhancing price competitiveness. These preferences are currently available until end September 2025, unless the AGOA legislation is extended or replaced by another arrangement beyond that date.



ANGOLA'S PREFERENTIAL MARKET ACCESS TO THE UNITED STATES

PERCENTAGES RELATE TO +/- 11,000 POSSIBLE TARIFF LINES



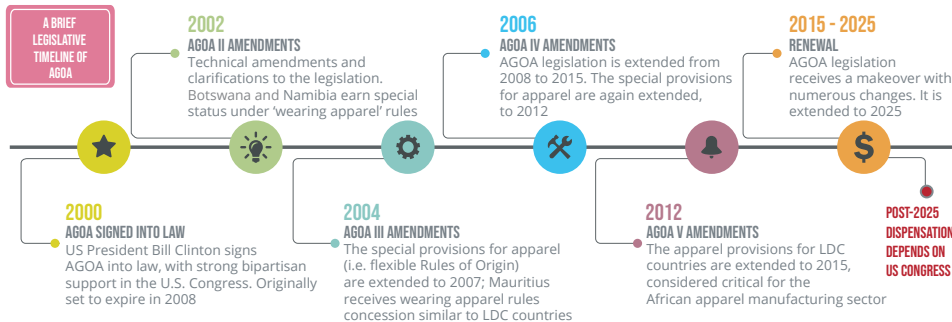
WHAT IS AGOA ?

- AGOA, the acronym for the **African Growth and Opportunity Act**, forms part of United States trade legislation, having been signed into law in May 2000 as Public Law 106. It offers special access to the U.S. market for qualifying exports from Sub-Saharan African beneficiary countries including **Angola**, but also provides a framework for other U.S. support to, and engagement with, African countries. AGOA was originally set to expire after 8 years (in 2008) but has subsequently been extended a number of times, most recently in 2015 for a period of 10 years (now set to expire only in **2025** unless further extended by the U.S. Congress).
- AGOA broadens and enhances the trade preferences of the U.S. Generalized System of Preferences (GSP). While virtually all products that are GSP eligible also qualify under AGOA, the coverage of AGOA preferences is significantly greater. It is important to note that the GSP is subject to more regular congressional re-authorization and last 'expired' at the end of 2020; AGOA is therefore currently the only preferential market access arrangement that provides qualifying Sub-Saharan African beneficiary countries with duty-free access to the U.S. market, for approximately **6,700 products**, including in numerous categories generally considered to be 'sensitive'.
- Qualifying products* under AGOA include textiles and clothing, motor vehicles and parts, many agricultural products including nuts, leather products, chemicals, wine, travel luggage, machinery and equipment, and many more.

* Subject to complying with the Rules of Origin (local processing/content requirements)

AGOA RULES OF ORIGIN

RULES OF ORIGIN (RoO) are prescribed criteria used to determine the national origin of a product. RoO form an integral part of preferential trade arrangements, and help ensure that market access preferences are correctly linked to imports from an AGOA beneficiary country. AGOA has different RoO criteria for apparel, and general goods. The RoO prescribe the minimum processing or local content required for a product to obtain origin status of the (exporting) country: only 'originating' products receive preferential entry (into the United States) in terms of the AGOA legislation.



AGOA RULES OF ORIGIN: TEXTILES AND CLOTHING

- Qualifying apparel (garments) must be made up locally (cut, make, trim); however fabric sourced from anywhere in the world* may be used for this purpose. * ANGOLA HAS NOT YET IMPLEMENTED AN APPAREL VISA SYSTEM FOR AGOA PURPOSES
- Textiles (yarns, fabric of Chapters 50-60, and 63) from **Angola** or any other AGOA 'lesser developed beneficiary country' also qualify under AGOA provided that they are wholly produced from local fibres, yarns, fabrics, or components knit-to-shape in such countries.

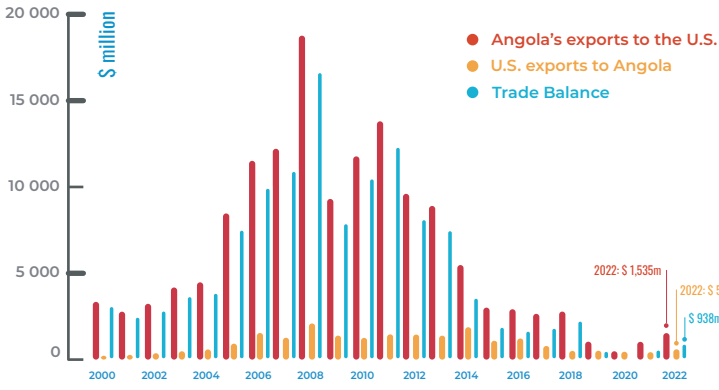
AGOA RULES OF ORIGIN: OTHERS PRODUCTS

- Products must be the 'growth, product or manufacture' of one or more AGOA beneficiary countries, or if some imported / non-originating materials are used, the cost of local materials + direct cost of processing must equal at least **35% of the product's appraised value** at the U.S. port of entry. Up to 15% (of the 35%) may consist of U.S. materials.

BASIC AGOA EXPORT CHECKLIST

- Correctly identify the unique HTS tariff code of product **SEE: [HTTPS://HTS.USITC.GOV](https://hts.usitc.gov) [TURN OVER PAGE FOR QR CODE]**
- Check if product is AGOA / GSP eligible (0% duty) **[TARIFF CODE 'D' FOR AGOA, OR 'A' FOR GSP]**
- Alternatively: Check applicable duty, or whether duty-free status under general US import tariff rules
- Ensure compliance with **Rules of Origin** requirements
- Obtain certificate of origin / endorsement from national customs / revenue service

UNITED STATES TRADE IN GOODS WITH ANGOLA SINCE THE START OF AGOA PREFERENCES IN 2000



Trade in goods between the U.S. and Angola	2000	2021	2022
Angola's exports to the United States	\$3,343m	\$1,029m	\$1,534m
United States exports to Angola	\$225m	\$430m	\$596m
Balance of Trade (pos. values = trade surplus for Angola)	\$3,118m	\$600m	\$938m

Data in \$ million. Source: USITC Dataweb database. U.S. domestic exports (FAS) vs. U.S. imports for consumption (at customs value)



United States exports to Angola | 2021-2022

During the period under review - 2000-2022 - Angola has consistently recorded a trade surplus with the United States, driven by U.S. sourcing of petroleum products from Angola. During 2022, two-way trade began increasing again, off a historical low in 2020. The bulk of U.S. exports to Angola in recent years comprised poultry products, with general purpose machinery following in 2022. Other exports included machinery for the extractive industries such as those used in oil and gas installations. *The leading U.S. exports to Angola for the period 2021 - 2022 are listed below.*

	2021	2022		2021	2022
Poultry meat	\$124m	\$232m	Pumps and compressors	\$7m	\$19m
Other general purpose machinery	\$24m	\$52m	Computers	\$14m	\$17m
Metal valves	\$22m	\$31m	Engines, power transmission equip.	\$23m	\$16m
Mining and gas field machinery	\$40m	\$22m	Other basic organic chemicals	\$13m	\$15m

Angola's exports to the United States, by programme, 2000-2022 | \$ million

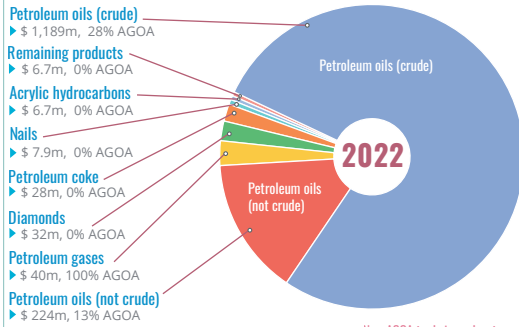
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Exports under AGOA	0	0	0	0	1,249	4,216	4,533	4,768	9,795	4,225	6,294	11,577	6,619	6,001	3,540	1,830	1,998	2,271	1,950	543	144	300	361
Exports under GSP*	2,844	2,511	2,826	3,883	3,066	4,098	6,774	6,924	7,529	4,142	3,544	304	628	710	845	1	0	117	62	0	0	0	0
No preferences claimed	500	265	405	293	161	151	207	519	1,440	938	1,933	1,923	2,355	2,189	1,093	1,179	917	380	714	432	349	729	1,173
TOTAL country exports to U.S.	3,343	2,776	3,231	4,176	4,476	8,466	11,514	12,211	18,763	9,306	11,771	13,803	9,602	8,900	5,478	3,010	2,917	2,651	2,781	1,037	454	1,029	1,534

Data in \$ million. Source: USITC Dataweb database. Totals may not perfectly correspond due to rounding * The GSP had not been re-authorized in 2021/2022 and any preference claim is deferred

Angola's exports to the United States in 2022 | leading products

Any % values denote respective share of Angola's sector exports that entered the U.S. duty-free under AGOA.

The graphic below provides an overview of the sectoral spread of Angola's exports to the United States during Year 2022



U.S. destinations of Angola's exports (by district)

- New York, New York - \$1216m**
Products shipped: Petroleum oils, diamonds
- New Orleans, Louisiana - \$91m**
Products shipped: Petroleum oils, nails/tacks
- Honolulu, Hawaii - \$65m**
Products shipped: Petroleum oils
- San Francisco, California - \$62m**
Products shipped: Petroleum oils, nails/tacks
- Los Angeles, California - \$40m**
Products shipped: Petroleum oils, nails/tacks
- Miami, Florida - \$26m**
Products shipped: Petroleum oils, nails/tacks
- Seattle, Washington - \$9m**
Products shipped: Petroleum oils

Leading destinations, by U.S. district of entry. Accounts for 98% of Angola's exports to the U.S.

Non-AGOA trade in each category is mostly duty-free under the standard U.S. tariff schedule

Overview: Angola's duty-free exports to the United States

Two-way trade between between Angola and the United States, over the 2000-2022 period, was worth over \$165 billion. Most of Angola's exports to the U.S. is in tariff lines that have no or very low duties under the general tariff schedule, although some products utilize the available AGOA preferences. Virtually all of Angola's exports to the U.S. comprise petroleum products (98% of total U.S. bound exports since 2000), while there are also a number of other products being exported (diamonds, nails, fish, wood etc.)

The value of Angola's exports to the U.S. far exceeds its imports, and since the inception of AGOA, over \$143 billion worth of exports have been sent to the U.S.

While Angola has recorded significant exports to the U.S. by value, little diversification has taken place in its overall export trade profile over the past two decades.

Very few of Angola's exports are subject to any U.S. import duties because they are either duty-free under the U.S. 'normal tariff relations' schedule, or qualify for AGOA preference.

Goods qualify for preferences if they are AGOA eligible, and when the goods are a product of Angola by fulfilling the AGOA origin requirements*, which stipulate 35% local content for all non-textile goods. During 2022, \$1.2m in import duties were calculated on U.S. imports from Angola.

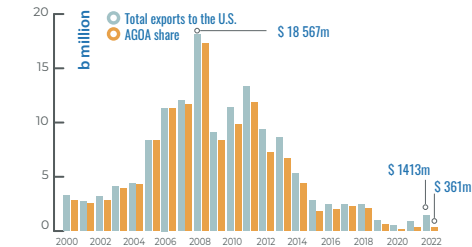
* Normal U.S. import duties (only when applicable to a product) are levied when local origin status of the preferential exporter country (through compliance with the relevant Rules of Origin) can not be demonstrated on importation.

SELECTION OF ANGOLA'S EXPORTS TO THE UNITED STATES SINCE 2000

Petroleum oils (HTS 2709+2710)

2000-2022: \$139 billion exports to the U.S.

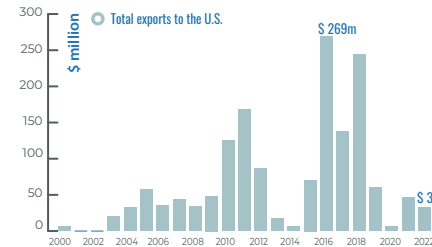
Petroleum products (crude and non-crude) dominate Angola's exports to the U.S. and have been the mainstay of U.S.-bound exports since the start of AGOA preferences in 2000. Exports peaked in 2008 with almost \$19 billion worth of exports. Most trade within these two tariff headings qualifies for preferential export to the U.S. under AGOA. Fluctuating oil prices and shifts in demand have resulted in a steady decline over the past decade.



Diamonds (HTS 7102)

2000-2022: \$ 1.5 billion exports to the U.S.

Angola is the world's sixth-largest diamond producer, and the fourth largest in Africa. Angola has exported more than \$ 1.5b worth of diamonds to the U.S. since 2000, albeit with significant year-on-year fluctuations in value and composition (industrial versus non-industrial diamonds). Over the past two decades, the majority of diamond exports from Angola to the U.S. comprised non-industrial diamonds. Diamonds enjoy MFN duty-free status in the U.S. tariff schedule.




Nails made of iron or steel (HTS 7317)


2000-2022: \$ 14.9m exports to the U.S.

Angola began exporting iron and steel nails to the U.S. in 2018. These exports comprise mainly 'colated nails...made of round wire' classified under HTS 7317.00.55, and are duty-free under the U.S. general tariff schedule, and thus not AGOA-eligible. U.S. import data shows that exports have increased at a rapid pace and more than doubled to \$7.9m in the course of 2022.







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US Tariff Schedule and HTS Lookup
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* Use any QR Reader App or phone camera

