



AGOA Utilization Performance

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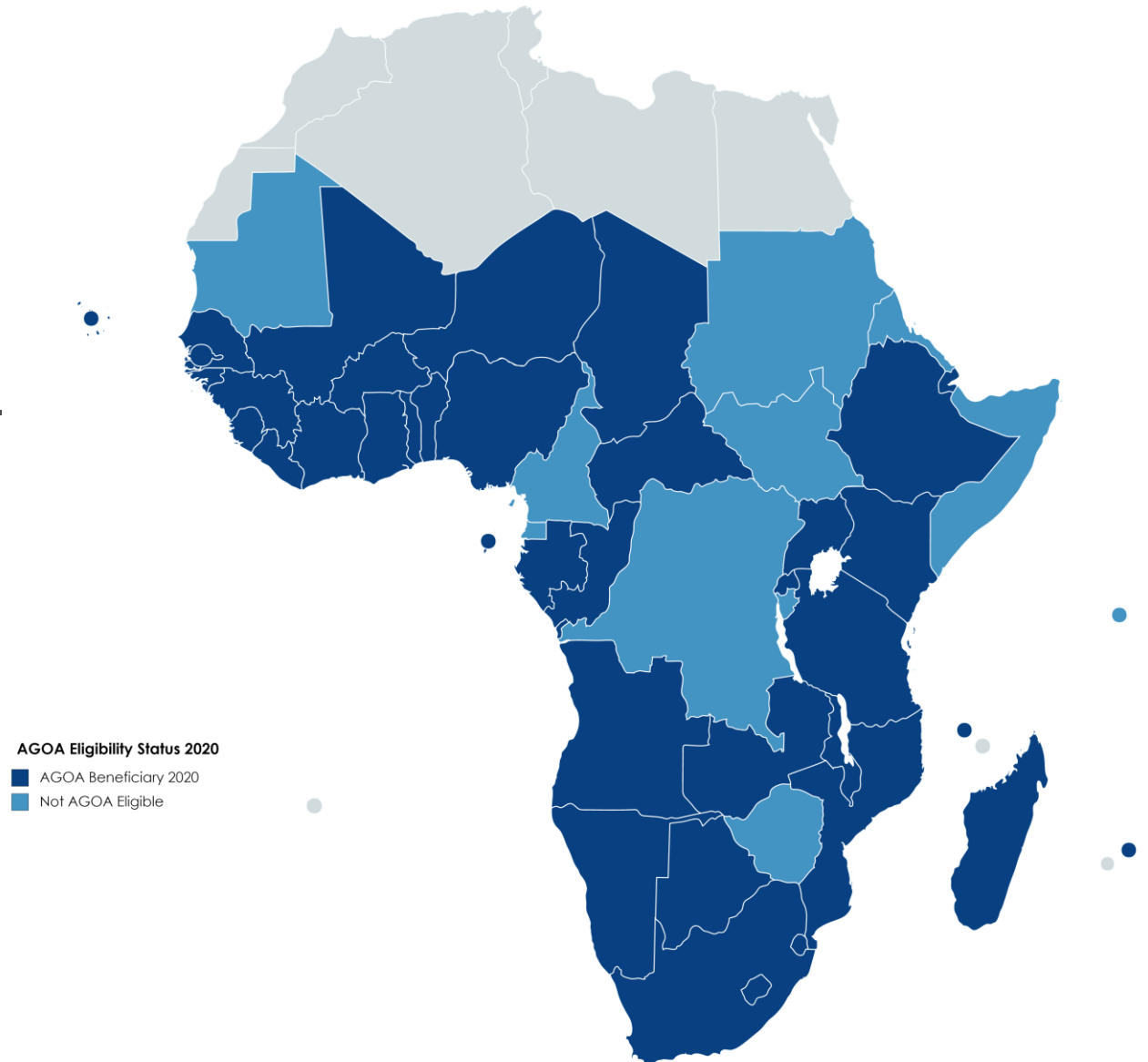


AGOA-eligibility status 2020

- 38 AGOA Beneficiary countries
- (11 Non-designated countries)
- Total value of all exports to US by AGOA-eligible countries - US\$20,403bn (2019)
- Total value of all imports from US by AGOA-eligible countries - US\$13,992bn (2019)

● AGOA Beneficiary 2020

● Not AGOA-eligible



Top 5 AGOA-eligible countries' total exports to US, 2019

- 1) South Africa – US\$7,634bn
- 2) Nigeria – US\$4,966bn
- 3) Angola – US\$1,037bn
- 4) Ghana – US\$961,302m
- 5) Cote d'Ivoire – US\$925,049m



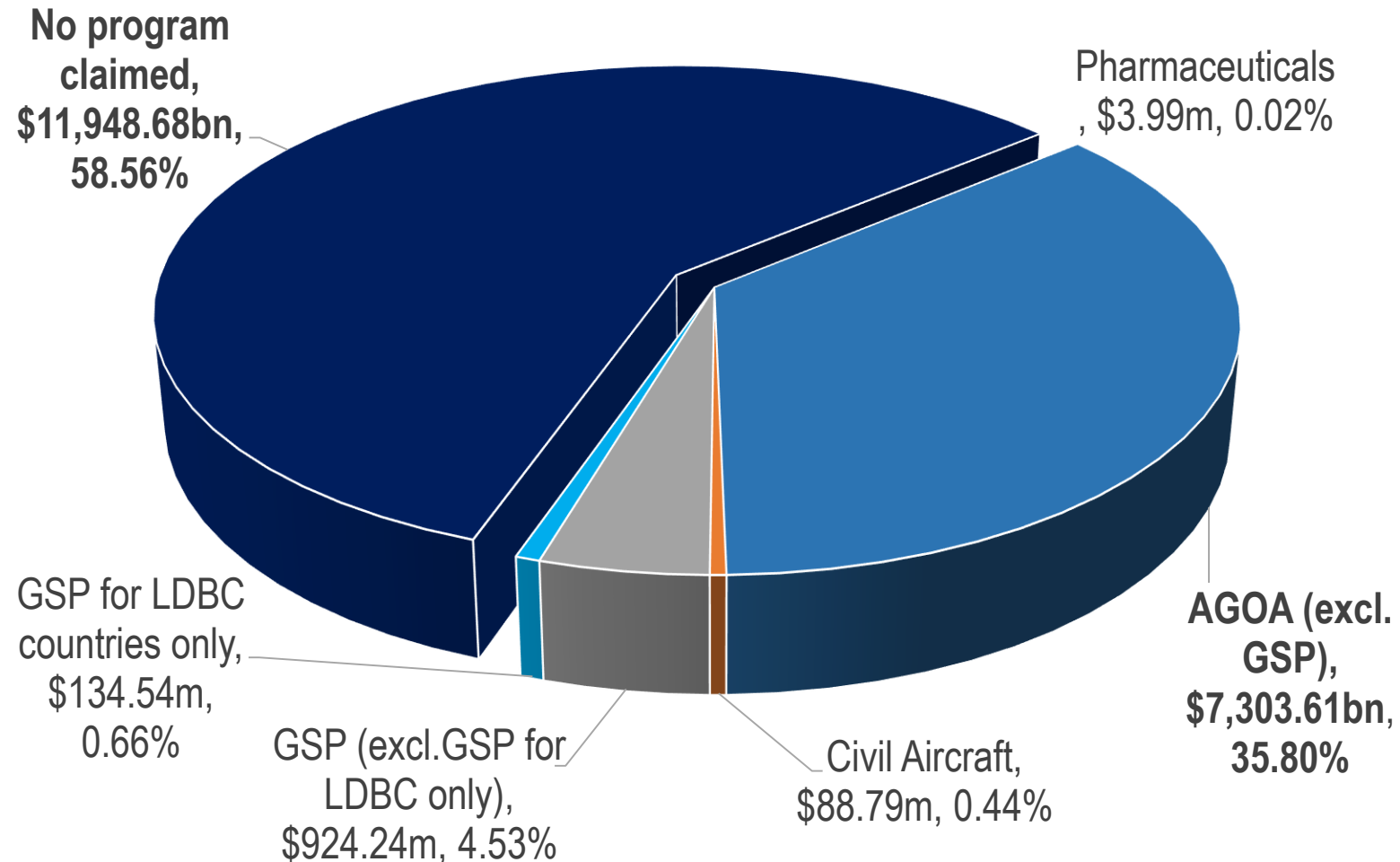
AGOA-eligible countries' top 5 export sectors in 2019

- 1) Oil & Gas – US\$4,370bn
- 2) Apparel & Accessories – US\$1,218bn
- 3) Transportation Equipment – US\$345m
- 4) Primary Metals (MFG) – US\$292m
- 5) Agricultural Products – US\$288m



But not all goods exported under AGOA programme....

US Consumption Imports from all AGOA-eligible SSA Countries by Programme, 2019



And AGOA utilization rate differs greatly by country

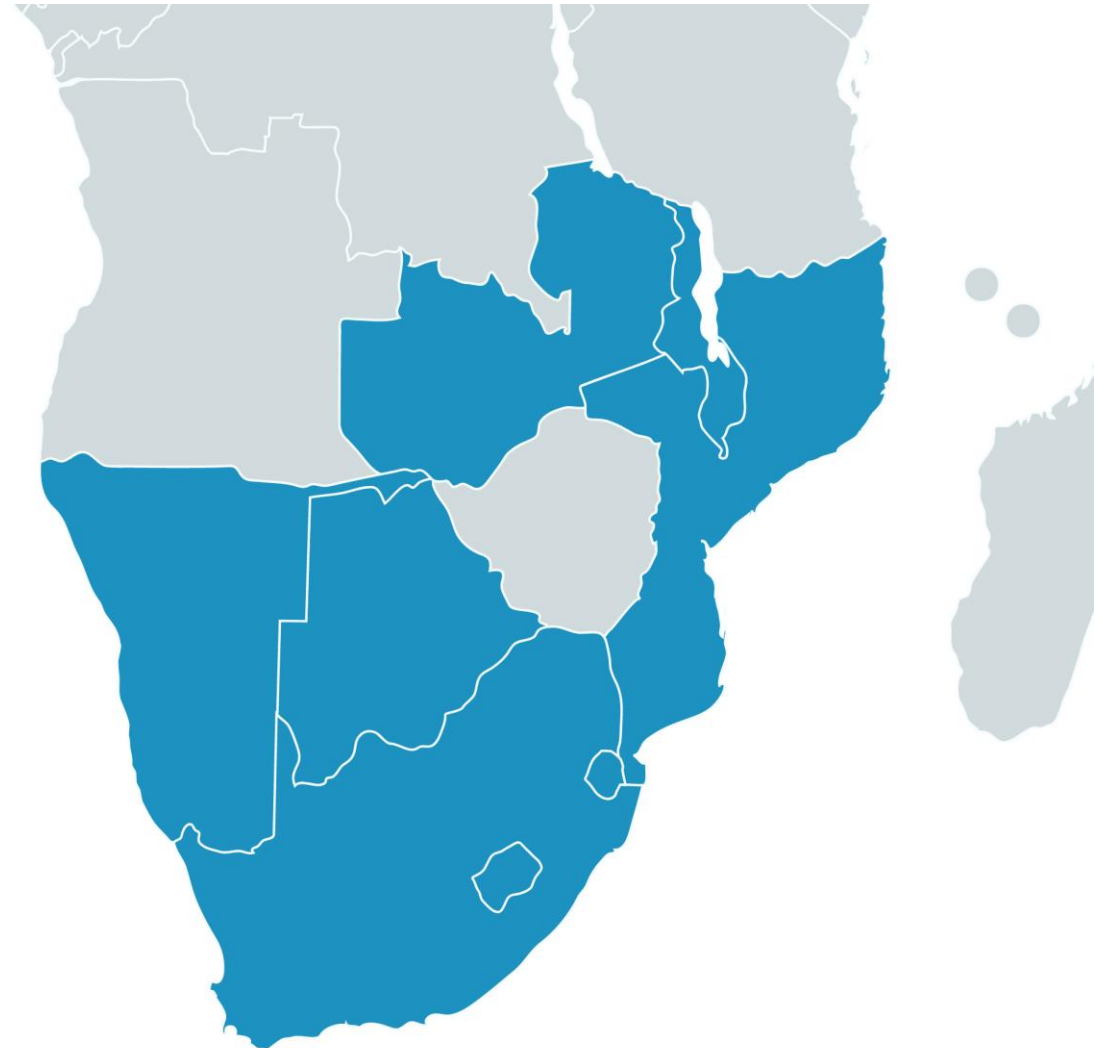
Exporting Country	Total Exports to US (US\$) (2019)	Exported under AGOA (excl. GSP) Programme (US\$) (2019)	% of Exports utilizing AGOA Programme
South Africa	7,634,543,341	1,223,727,369	16.03%
Nigeria	4,966,815,021	3,128,559,256	62.99%
Ghana	961,302,867	416,532,998	43.33%
Cote d'Ivoire	925,049,215	1,347,727	0.15%
Madagascar	848,254,227	233,638,264	27.54%
Kenya	666,957,069	512,315,789	76.81%
Ethiopia	571,793,122	239,686,213	41.92%
Lesotho	334,625,752	301,403,332	90.07%
Botswana	276,864,212	3,598	0.0013%



USAID TradeHub priority countries' utilization of the AGOA programme

Priority countries' AGOA (excl. GSP) exports to US, 2019

- 1) South Africa – US\$1,233bn
- 2) Lesotho – US\$301,40m
- 3) Malawi – US\$43,83m
- 4) Mozambique – US\$1,73m
- 5) Namibia – US\$1,38m
- 6) Zambia – US\$1,25m
- 7) Eswatini – US\$1,21m
- 8) **Botswana – US\$0,003m**



Exports to the US under AGOA (excl. GSP) 2019

South Africa = US\$1,223bn in 2019 ($\approx 16.03\%$ of all exports to the US)

1. Passenger motor vehicles (HS8703.23) – US\$335,741m
2. Macadamia nuts (HS0806.62) – US\$108,324m
3. Ferrosilicon manganese (HS7202.30) – US\$86,060m
4. Ferrochromium (HS7202.41) – US\$76,687m
5. Industrial fatty alcohols (HS3823.70) – US\$66,732m



Lesotho = US\$301,403m in 2019 ($\approx 90.07\%$ of all exports to the US)

1. Women's or girls' trousers (HS6104.63) – US\$90,055m
2. Men's or boys' trousers (HS6203.42) – US\$57,213m
3. Sweaters, pullovers, sweatshirts (HS6110.30) – US\$36,911m
4. Men's or boys' shirts (HS6105.20) – US\$24,926m
5. T-shirts, singlets, tank tops (HS6109.90) – US\$24,410m



Exports to the US under AGOA (excl. GSP) 2019

Malawi= US\$43,831m in 2019 (\approx 60.70% of all exports to the US)

1. Tobacco (HS2401.20) – US\$28,05m
2. Macadamia nuts (HS0802.62) – US\$12,28m
3. Sweater, pullovers, sweatshirts (HS6110.30) – US\$1,745m
4. Cane sugar (HS1701.14) – US\$1,08m
5. Nuts, Nesoï (HS0802.90) – US\$0,326m



Mozambique = US\$1,730m in 2019 (\approx 1.19% of all exports to the US)

1. Cane sugar (HS1701.14) – US\$982,008
2. Macadamia nuts (HS0802.62) – US\$443,307
3. Tobacco (HS2401.20) – US\$305,070



Exports to the US under AGOA (excl. GSP) 2019

Namibia= US\$1,384m in 2019 (\approx 0.93% of all exports to the US)

1. Granite (HS6802.93) – US\$937,137
2. Marble, travertine & alabaster (HS6802.91) – US\$363,319
3. Furskins (HS4302.30) – US\$43,807
4. Articles of marble, travertine & alabaster (HS6802.21) – US\$28,207
5. Whole hides & skins of leather (HS4107.11) – US\$5,393



Zambia = US\$1,250m in 2019 (\approx 1.36% of all exports to the US)

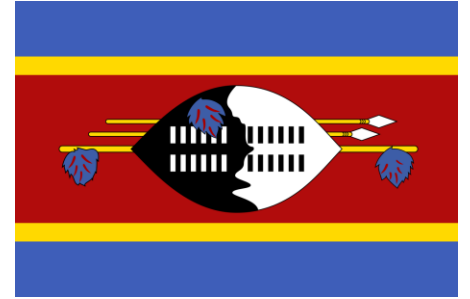
1. Articles of precious or semi-precious stones (HS7116.20) – US\$769,714
2. Refined copper cathodes (HS7403.11) – US\$410,958
3. Flour, meal and powder of Ch.8 (HS1106.30) – US\$65,000
4. Tableware & kitchenware, of wood (HS4419.90) – US\$2,905
5. Basketwork, wickerwork and other articles (HS4602.19) – US\$2,076



Exports to the US under AGOA (excl. GSP) 2019

Eswatini = US\$1,209m in 2019 ($\approx 7.62\%$ of all exports to the US)

1. Cane sugar in solid form (HS1701.14) – US\$1,193m
2. Handbags (HS4202.21) – US\$12,500
3. Glassware (HS7013.99) – US\$3,597



Botswana = US\$3,598 in 2019 ($\approx 0.0013\%$ of all exports to the US)

1. Statuettes & other ornaments, of wood (HS4420.10) – US\$3,598



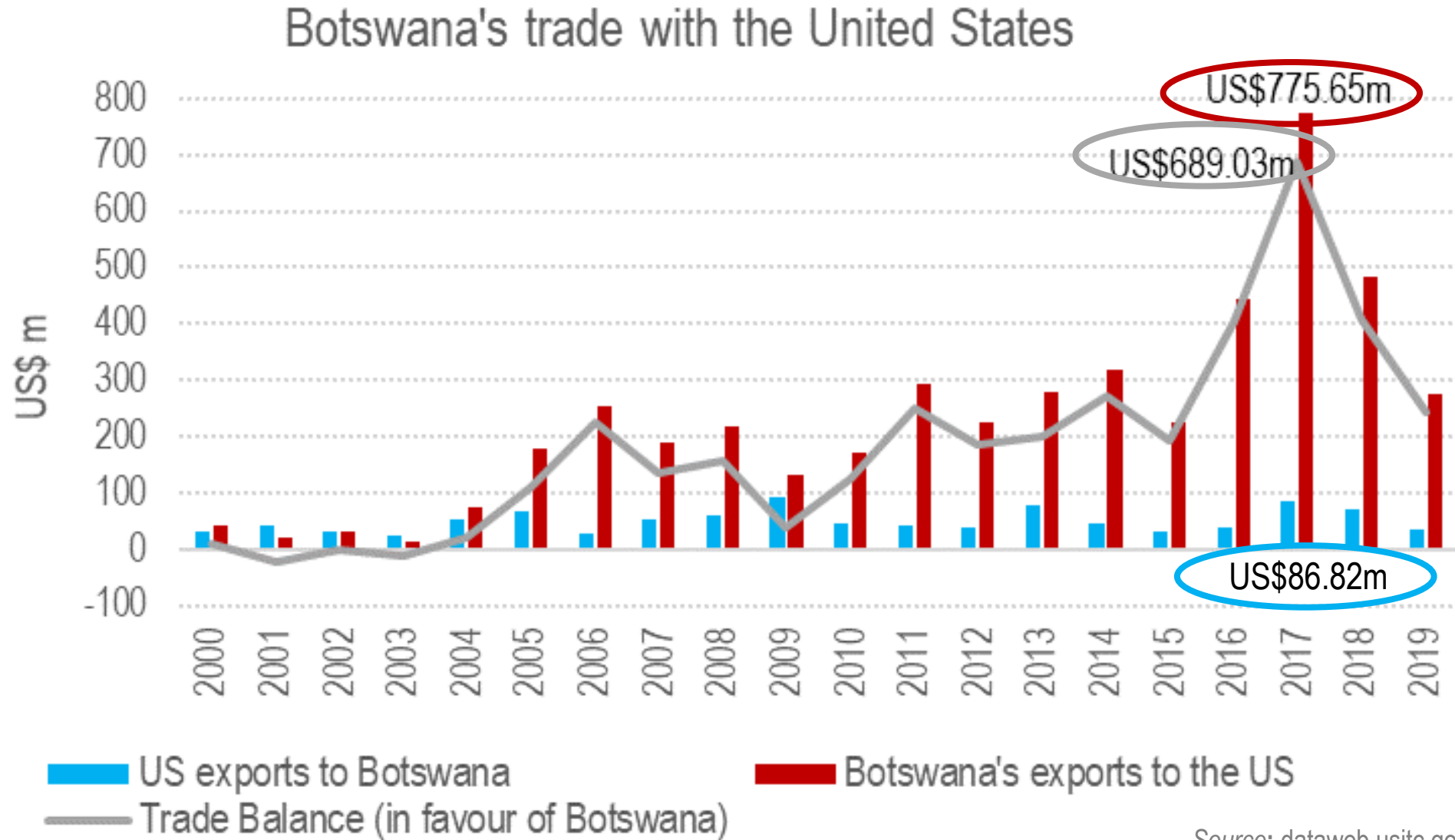
Botswana & the AGOA program

WESGRO

cape town & western cape
tourism, trade, investment, film

An Inspiring Place To Do Business

Bilateral trade historically skewed toward Botswana



Botswana's trade with the United States

Goods trade between the US and Botswana	2000	2019	%
Botswana's exports to the United States	US\$40.51m	US\$276.86m	583.45%
United States exports to Botswana	US\$31.17m	US\$34.60m	11.03%
Trade Balance (in favour of Botswana)	US\$9.34m	US\$242.26m	2,492.56%

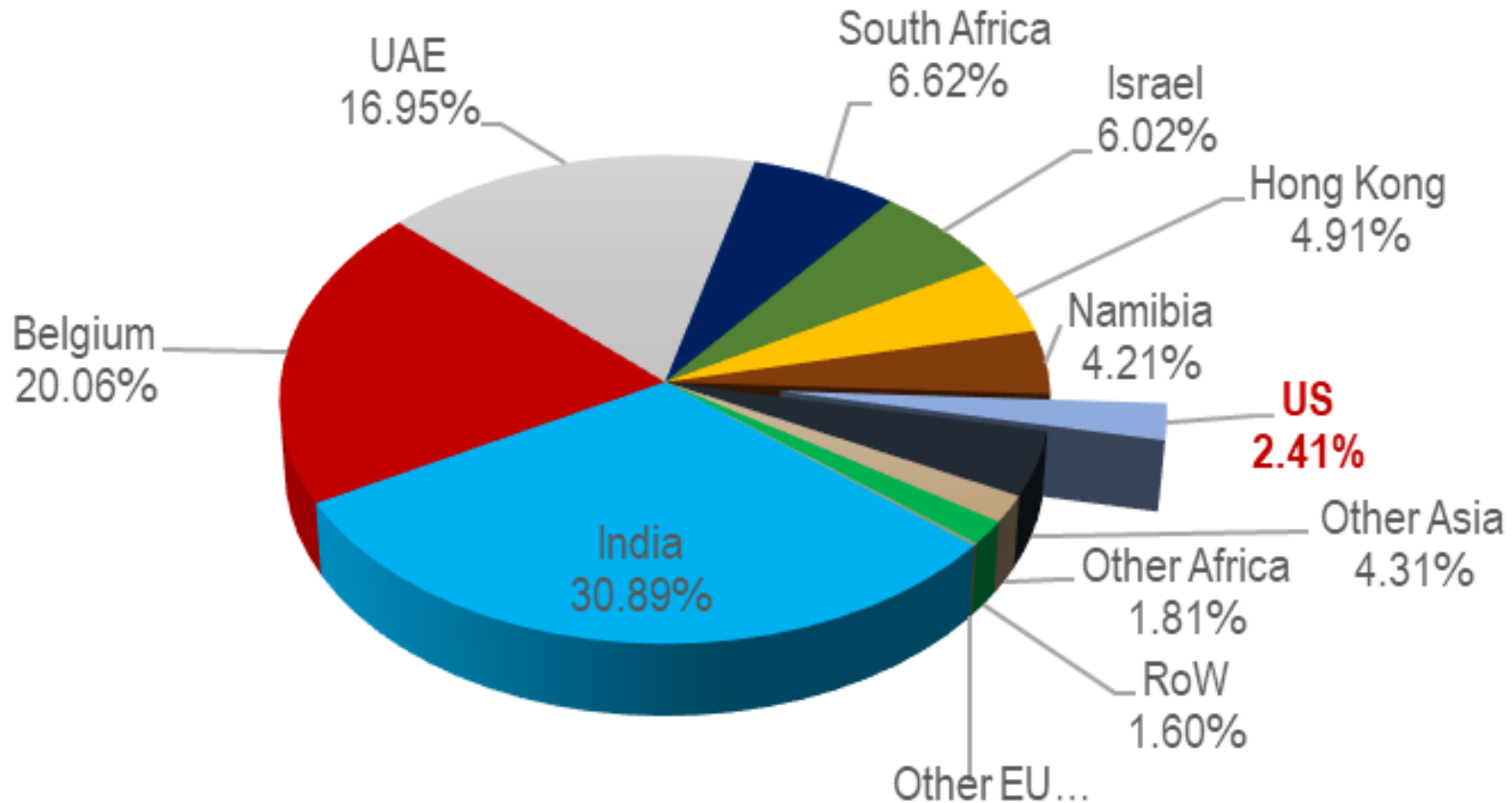
Source: dataweb.usitc.govt. US domestic exports (FAS) vs. US imports for consumption (customs value.)

- Despite a significant increase in trade with the US, it remains a relatively small export market.....



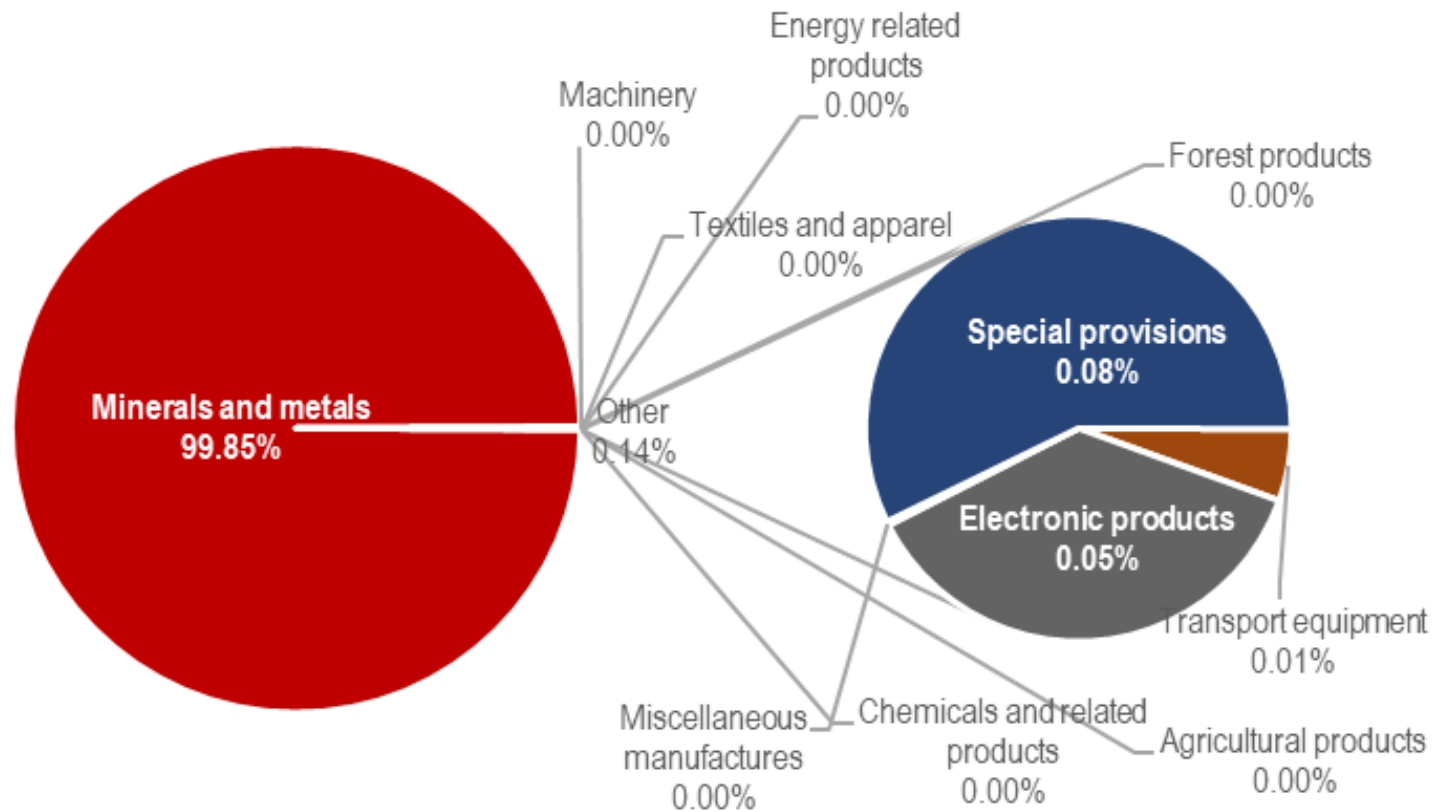
United States is a relatively small export destination....

Botswana Exports by Major Trading Partners & Countries,
Dec 2019 (%)



Mineral and metals dominate exports to the US.....

Composition of Botswana's exports to the US, 2018



...**BUT** diamonds are not AGOA eligible....

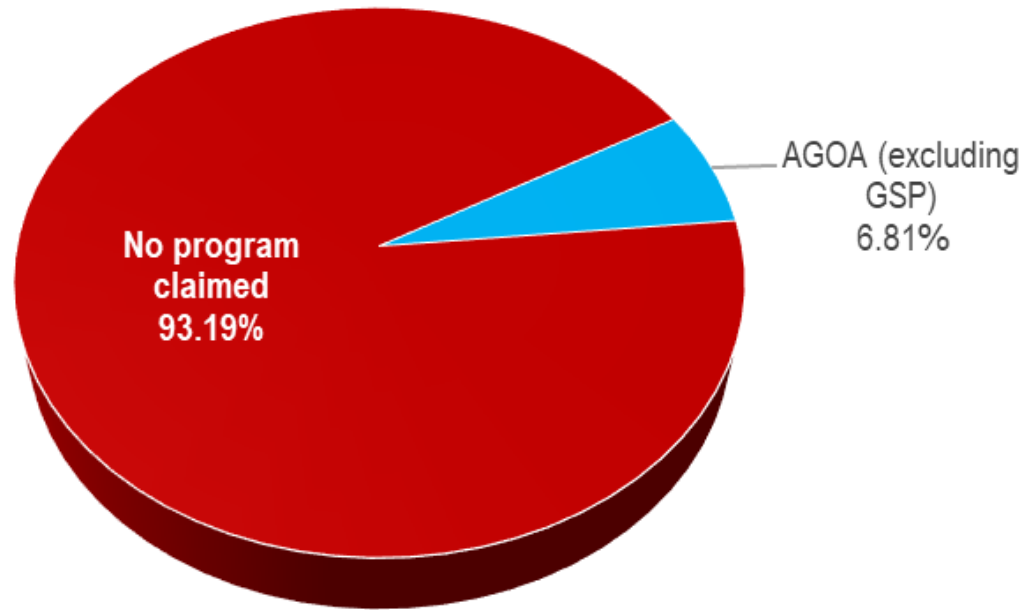
Source: AGOA.info

AGOA's declining role in exports to the US.....

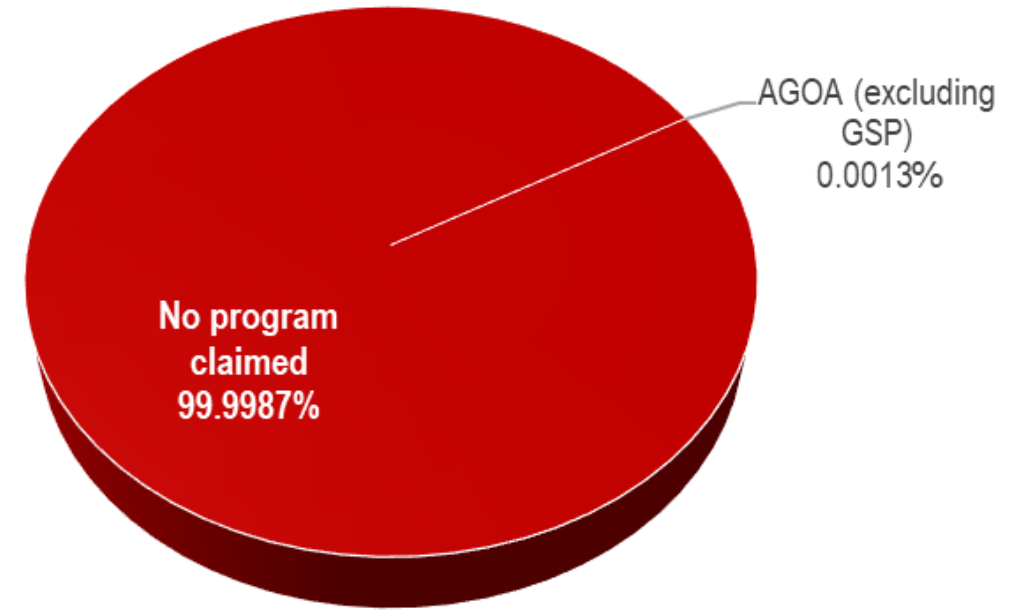
Botswana: Special Import Program	2015	2016	2017	2018	2019
AGOA	8,251,119	4,766,473	990,723	0	3,598
No program claimed	216,994,819	440,021,089	774,607,380	481,908,923	276,792,714
GSP	8,315	75,000	0	0	0
Total Exports to US	225,254,253	444,862,562	775,598,103	481,908,923	276,796,312

Botswana AGOA exports 2010 vs. 2019

AGOA-program exports to US, 2010



AGOA-program exports to US, 2019



Source: dataweb.usitc.govt



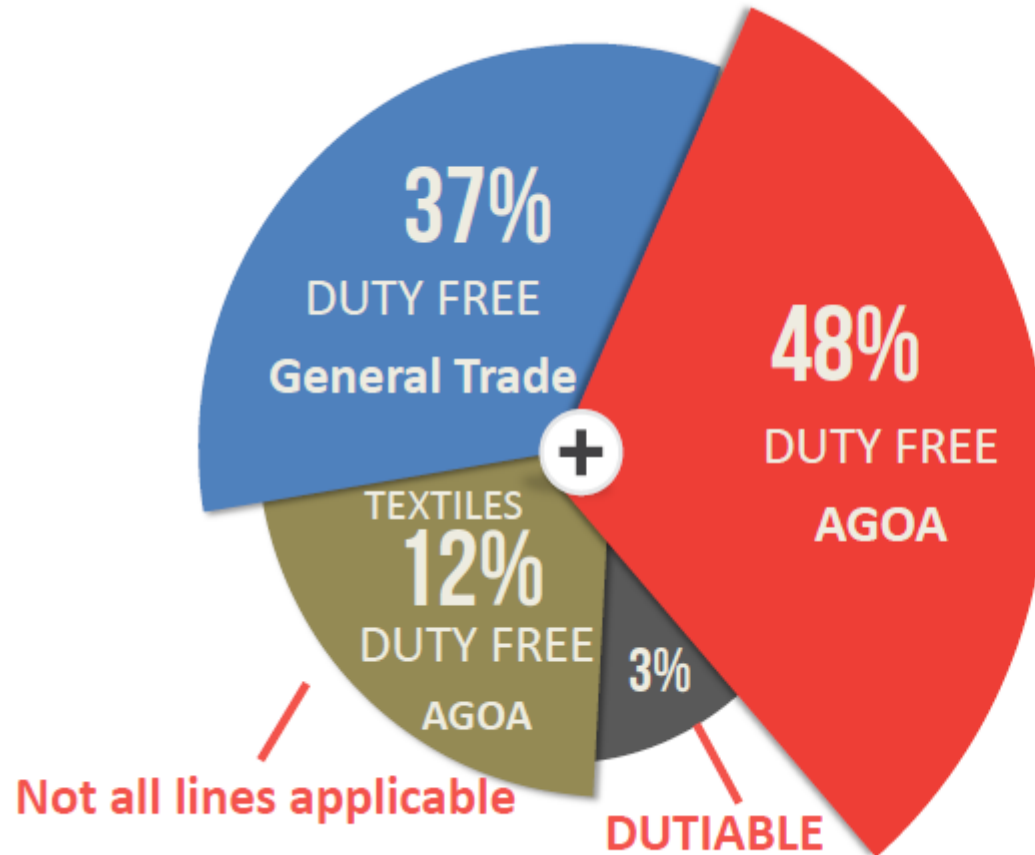
AGOA-eligible textile exports' rapid decline

HS Code	Product	2015	2016	2017	2018	2019
6106.20	Women's or girls' blouses & shirts	339,094	0	0	0	0
6105.20	Men's or boys' shirts	1,584,647	0	0	0	0
6204.69	Women's or girls' trousers	990,491	406,468	0	0	0
6110.30	Sweaters, pullovers , sweatshirts	113,702	0	0	0	0
6109.90	T-shirts, singlets, tank tops	253,860	474,903	0	0	0
4420.10	Statuettes & other ornaments of wood	0	0	0	0	3,598
6204.63	Women's or girls' trousers	4,969,325	3,885,102	990,723	0	0

Source: dataweb.usitc.govt

What does AGOA-eligibility afford?

- Extensive market access to the US



48 % AGOA DUTY FREE

Duties removed until 2025

Approximately 5,200 tariff lines

12 % AGOA DUTY FREE

Duties removed until 2025

Approximately 1,300 tariff lines

37 % NTR (=MFN) DUTY FREE

Tariff lines where general US duty is zero

Approximately 4,000 tariff lines

3 % DUTIABLE

Standard import duties apply into the USA

Approximately 350 tariff lines

Source: Naumann, E. AGOA workshop, November 2019

The road ahead.....

Seek new opportunities in sectors in which Botswana has a comparative advantage

- ✓ Beneficiation of leather goods & leather manufacturing
- ✓ Handicrafts, including arts & crafts
- ✓ Processed food sector
- ✓ Precious stones & jewelry sector
- ✓ Horticulture & agro-processing sector
- ✓ Meat & meat products sector
- ✓ Natural Indigenous Products (INP) sector & development of Geographical Indicators (GI's)?
- ✓ E-commerce?

Source: Botswana National AGOA Utilization Strategy (Draft)



Thank you

