



**2022 BIENNIAL REPORT ON THE
IMPLEMENTATION OF**

THE AFRICAN GROWTH AND OPPORTUNITY ACT



**UNITED STATES TRADE REPRESENTATIVE
JUNE 2022**

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Ambassador Katherine Tai
Office of the United States Trade Representative
June 2022

Foreword

Section 110 of the Trade Preferences Extension Act of 2015 (“the Act”), 19 U.S.C. § 3705 note, states that the President shall submit a report to Congress on the trade and investment relationship between the United States and sub-Saharan African countries no later than one year after the enactment of the Act, and biennially thereafter. This reporting function was delegated to the United States Trade Representative (USTR) in Executive Order 13720 of February 26, 2016. The USTR, on behalf of the President, last submitted this report under this provision in June 2020. The current report covers the period since then (July 2020 to the present). As required by the legislation, the report provides a description of the status of trade and investment between the United States and sub-Saharan Africa, changes in country eligibility for AGOA benefits, an analysis of country compliance with the AGOA eligibility criteria, an overview of regional integration efforts in sub-Saharan Africa, and a summary of U.S. trade capacity building efforts. As required by section 110, this report also fulfills the statutory requirements in the Act to report to Congress on potential trade agreements.

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Chapter 1: The Trade and Investment Relationship between the United States and sub-Saharan Africa

Overview

The African Growth and Opportunity Act (AGOA) has over the last two years remained a core element of the United States' trade relationship with sub-Saharan Africa. During this time, the Office of the United States Trade Representative (USTR) continued efforts to support the program by strengthening economic cooperation with African nations and implementing the Biden-Harris Administration's worker-centered trade policy. During this period, USTR worked to catalyze inclusive growth in Africa, foster sustainable development, and promote regional integration to ensure that all people across the United States and Africa benefited from the global economy, especially as we supported efforts to recover from the COVID-19 pandemic.

Since it was signed into law in May 2000, AGOA has encouraged American companies to both do business with and invest in sub-Saharan Africa. It has spurred economic growth and created tens of thousands of jobs across the continent. The program also has provided incentives to African governments to undertake key political and economic reforms. To build on these successes, among other activities, USTR hosted a high-level Virtual African Growth and Opportunity Act (AGOA) Ministerial Meeting in October 2021; coordinated the annual interagency AGOA country eligibility review to ensure that countries receiving AGOA preferences were in compliance with the statutory requirements; engaged with key U.S. and African stakeholders on the African Continental Free Trade Area (AfCFTA) Agreement; and, worked to resolve trade and investment barriers across the continent. The United States also held numerous in-person and virtual engagements with many African counterparts. These included engagements with Kenyan government officials to discuss how to deepen the vital trade and economic relationship between Kenya and the United States.

A positive sign of the reemergence of strong trade and investment ties between the United States and sub-Saharan Africa is that in 2021, non-oil imports under AGOA (a major source of AGOA's job-creating value) were approximately \$4.8 billion. This represented a sizeable increase from \$3.4 billion and \$3.8 billion in 2020 and 2019 respectively, and was the largest annual figure since 2013.

The Trade Preferences Extension Act (TPEA) of 2015 extended AGOA for 10 years through June 2025. The future of the program is no doubt on the minds of many in the United States and in Africa. USTR will continue to engage with Congress, and has placed a high premium on receiving perspectives from key stakeholders across African governments, the private sector, civil society, and the African Diaspora regarding how we can continue to build on the successes of the program and effectively enhance the U.S.-Africa trade relationship.

The Biden-Harris Administration remains committed to enabling beneficiary countries to take full advantage of the legislation for the duration of the program. As outlined in Chapter 5 of this report, the United States is providing extensive trade capacity building support to many countries across sub-Saharan Africa to increase two-way trade and promote economic development.

Trade in Goods

According to the U.S. Census Bureau, total two-way goods trade with sub-Saharan Africa totaled \$44.8 billion in 2021 (most recent data available), a 21.8 percent increase from \$36.7 billion in 2019. U.S. goods exports were \$16.5 billion in 2021, up from \$15.8 billion in 2019 (partly due to higher sales of natural gas and vehicles and parts). U.S. goods imports were \$28.2 billion in 2021, up from \$21 billion in 2019 (primarily due to sharp increases in purchases of precious metals). Top U.S. goods exports in 2021 by product were vehicles (\$3.2 billion), machinery (\$2 billion), mineral fuels (\$1.8 billion), cereals (\$918 million), and aircraft (\$841 million). The top American export markets in 2021 were South Africa (\$5.5 billion), Nigeria (\$3.9 billion), Ghana (\$983 million), Ethiopia (\$585 million), and Kenya (\$551 million).

Top U.S. imports in 2021 were precious metals and stone (platinum, diamonds) (\$11.1 billion), mineral fuels (\$6 billion), apparel (\$1.4 billion), cocoa (\$1.3 billion), and vehicles (\$868 million). In 2021, the top sub-Saharan African suppliers to the United States were South Africa (\$15.7 billion), Nigeria (\$3.5 billion), Ghana (\$1.7 billion), Côte d'Ivoire (\$1.2 billion), and Angola (\$1.1 billion). For more detailed information on trade in goods, consult Appendix 6.

Services Trade

The services sector continues to be a growing component of the U.S.-Africa trade and investment relationship. However, in 2020 (most recent data available) during the heart of the COVID-19 pandemic, U.S. exports of private commercial services (which exclude government-provided services) declined to \$11.0 billion from \$15.4 billion in 2018, according to the U.S. Bureau of Economic Analysis. In 2020, the leading services export sectors included travel services (\$2.2 billion), financial services (\$1.6 billion), telecommunications, computers, and information services (\$683 million), and air transport services (\$415 million). Similarly, U.S. imports of private commercial services decreased to \$5.2 billion in 2020 from \$9.4 billion in 2018. The leading services import sectors in 2020 were travel (\$1.1 billion), air transport (\$333 million), and technical, trade-related, and other business services (\$255 million). American private sector engagement in Africa has been expanding in other industries such as scientific and other technical services, cloud computing and data storage services, and other creative industries. For more detailed information on trade in services, consult Appendix 7.

Investment

According to the U.S. Census Bureau, U.S. outward foreign direct investment (FDI) stock in sub-Saharan Africa stood at \$33.3 billion in 2020 (most recent data available), up slightly from \$32.6 billion in 2018. In recent years, U.S. companies have made major investments on the continent in such sectors as electricity, transport manufacturing, technology/digital economy, retail, and tourism. The three largest destinations for cumulative outward U.S. FDI stock in sub-Saharan African countries in 2020 were South Africa (\$10 billion), Mauritius (\$8.3 billion), and Nigeria (\$6.8 billion). Sub-Saharan Africa's foreign direct investment (FDI) stock in the United States stood at \$9.3 billion in 2020, up sharply from \$5.1 billion in 2018. For more detailed investment data, consult Appendix 8.

Chapter 2: AGOA Implementation

Overview

Since its enactment in 2000, AGOA has been at the core of U.S. trade and investment policy with sub-Saharan Africa. AGOA provides eligible sub-Saharan African countries with duty-free access to the \$25 trillion U.S. economy for over 1,800 products, in addition to the more than 5,100 products that are eligible under the Generalized System of Preferences (GSP) program (although legal authorization for benefits under GSP expired on December 31, 2020, tariff lines covered by GSP remained eligible for AGOA beneficiaries). Currently, 36 countries are eligible for AGOA benefits.

AGOA continues to provide beneficiary countries with an important comparative advantage in exporting in the U.S. and can be leveraged to regain pre-COVID-19 economic growth levels. By providing such market access, the legislation has helped millions of people, supported increased investment across the continent, created hundreds of thousands of new jobs in eligible countries and sectors, and helped to alleviate poverty on the continent. Additionally, AGOA has helped create a more conducive environment for American investment and business interests as African markets continue to expand. The legislation has also enabled many American companies to get a foothold into key African markets and diversify their global sourcing chains.

Many African countries have taken advantage of the benefits related to AGOA's tariff preferences and liberal rules of origin for apparel. Utilization of these benefits has led to significant increases in exports of apparel to the United States from countries such as Kenya, Lesotho, Madagascar, Mauritius, and Eswatini. When TPEA renewed AGOA through 2025, the extension included renewal of the provision that allows fabric from third-countries to meet the program's rules of origin for apparel to qualify for duty free treatment – a critical factor in apparel companies' decisions to make investments in AGOA-eligible countries.

U.S. imports of several non-oil AGOA products experienced sizable increases since AGOA was passed, including vehicles and parts, sunglasses, footwear, home goods, jewelry, cut flowers, cocoa powder and cocoa paste, cassava, and macadamia nuts. In many cases, it is women-owned businesses in Africa that are supplying these products to the United States and women-owned companies in the United States that are sourcing these goods from the continent.

AGOA Import Data

According to the U.S. Census Bureau, U.S. total goods imports under AGOA (including GSP) totaled \$6.7 billion in 2021 compared to \$8.4 billion in 2019. This decline was mainly the result of the lower value of oil imports. However, non-oil imports under AGOA, a major source of new investment and jobs, *increased* during this period to \$4.8 billion in 2021 from \$3.8 billion in 2019. South Africa (the largest non-oil AGOA beneficiary) has exported the widest array of products under AGOA, ranging from passenger vehicles to citrus products, yachts, and frozen sorbet. U.S. apparel imports under AGOA, totaled \$1.4 billion in 2021, were unchanged from 2019, but up from \$1.2 billion in 2020.

In 2021, according to U.S. Census data, the top five country exporters under AGOA were South Africa (\$2.7 billion; mostly vehicles and parts, jewelry, and ferroalloys), Nigeria (\$1.4 billion; mostly crude oil), Kenya (\$517 million; mostly apparel, cut flowers, and macadamia nuts), Ghana (\$324 million; mostly crude oil, cocoa powder/paste, and cassava), and Angola (\$300 million, entirely crude oil).

Leading AGOA import categories in 2021 were crude oil (\$1.7 billion), apparel (\$1.4 billion), transportation equipment (\$949 million), minerals and metals (\$897 million), and agricultural products (\$715 million).

The AGOA Forum

The annual United States-Sub-Saharan Africa Trade and Economic Cooperation Forum, informally known as the “AGOA Forum,” is a ministerial meeting with high-level dialogue to promote closer economic ties between the United States and sub-Saharan Africa.

In October 2021, the United States convened a two-day high-level Virtual AGOA Ministerial with African counterparts that took place in lieu of an in-person annual AGOA Forum due to the COVID-19 pandemic. The theme of the Ministerial was “Building Back a Better U.S.-Africa Trade and Investment Relationship.” Participants included 22 African ministers of trade as well as U.S. Trade Representative Katherine Tai, Labor Secretary Marty Walsh, and USAID Administrator Samantha Power, as well as leading congressional representatives. Secretary of State Antony Blinken, and National Security Council Senior Director for Africa Dana Banks also addressed the group via recorded videos.

The meeting provided a valuable platform for discussing ways to strengthen economic cooperation between the United States and sub-Saharan Africa. USTR shared perspectives on core issues impacting U.S.–African trade ties, as well as joint efforts to combat the COVID-19 pandemic and other multilateral issues. USTR also outlined the Administration’s worker-centered trade policy and conveyed U.S. interest in working with partners on the continent to catalyze sustainable growth that maximizes benefits for workers, especially women, youth, and underserved communities.

The most recent in-person AGOA Forum took place in August 2019 in Abidjan, Côte d’Ivoire. The 2020 AGOA Forum did not take place due to the COVID-19 pandemic. Ambassador Tai held the Virtual AGOA Ministerial described above in 2021 and will look for an opportunity to meet with African trade ministers in 2022. The next full AGOA Forum is slated to take place in South Africa in 2023.

Developing Strategies to Support AGOA Implementation

Since AGOA’s inception, a number of countries on the continent have taken advantage of the program to increase and diversify their exports to the United States. TPEA encouraged eligible countries to develop AGOA utilization strategies to further explore export opportunities. Currently, 16 AGOA-eligible countries have national AGOA utilization strategies. In many cases, this work occurred in conjunction with the U.S. Agency for International Development (USAID). The Common Market for Eastern and Southern Africa (COMESA) and the Economic Community of West African States (ECOWAS) have developed similar plans for those regional blocs.

Aside from these strategies, many African governments and private sector entities have undertaken work to develop other strategic plans and studies (some sector-specific, others more broadly focused) dedicated to enhancing exports under AGOA as well as their broader export competitiveness.

For a list of eligible countries with national AGOA utilization strategies, see Appendix 4.

Chapter 3: Key Initiatives and Engagements

The U.S. Government has over the last two years worked to support and enhance U.S. trade ties with sub-Saharan Africa through a sustained series of high-level engagements, strategic initiatives, and programs.

Launch of Prosper Africa Build Together Campaign

In July 2021, the Biden-Harris Administration launched the Prosper Africa Build Together Campaign to elevate and energize the United States' commitment to trade and investment with countries across the African continent. This targeted, long term effort connects American and African businesses and investors with new trade and investment opportunities and the U.S. Government tools to advance those opportunities—driving sustainable growth across the continent, bolstering economic recovery at home, and supporting jobs across all nations. Through this next chapter of the Prosper Africa initiative, the United States is committed to driving billions of dollars of investment in Africa; working to ensure equitable access to the benefits of trade and investment; and harnessing the power of our small businesses, especially those led by women and members of the African Diaspora.

Trade Engagement with Kenya

The Biden-Harris Administration undertook a review of the trade negotiations with Kenya initiated under the previous administration with a view to ensuring that U.S. engagement promotes worker-centered trade policies, sustainable development, and equitable and inclusive trade, and supports regional and continental economic integration in Africa. USTR held further conversations with the Government of Kenya to develop a shared vision and partnership in designing an enhanced trade relationship. The Biden-Harris Administration views this approach as potentially serving as a model for engagement with other willing countries on the continent.

In May 2022, Assistant United States Trade Representative for African Affairs Constance Hamilton led a delegation of U.S. officials to Kenya, and held successful meetings with officials in the Kenyan government. USTR staff were joined on the trip to Kenya by officials from the Departments of State, Labor, Commerce, and Agriculture. The discussions covered a wide range of topics and helped identify key areas of convergence that deepened mutual understanding between both countries.

Building off these meetings, Ambassador Tai and her Kenyan counterpart, Cabinet Secretary of Ministry of Industrialisation, Trade and Enterprise Development Betty Maina met on the margins of the World Trade Organization's 12th Ministerial Conference in Geneva on June 13th. Ambassador Tai and Cabinet Secretary Maina agreed to explore pathways towards a deeper bilateral trade and economic relationship that: promotes sustainable and inclusive economic growth; benefits workers, consumers, and businesses (including micro-, small-, and medium-sized enterprises); and supports African regional economic integration.

U.S.-AUC High-Level Dialogue

In March 2022, the United States and African Union Commission (AUC) convened the eighth annual U.S.-AUC High-Level Dialogue in Washington, D.C., led by Secretary of State Blinken and AUC Head of Delegation Chairperson Moussa Faki Mahamat. The AUC and United

States reaffirmed their strong commitment to collaboration to address global issues including health security, climate change, inclusive economic growth, peace, security, and governance.

Secretary Blinken and Chairperson Faki signed a new Memorandum of Cooperation to advance the partnership between the United States and the Africa Centres for Disease Control and Prevention (Africa CDC). In addition, Deputy Assistant Secretary of State Akunna Cook and AUC Commissioner for Economic Development, Tourism, Trade, Industry, and Minerals Albert Muchanga led a strategic discussion on inclusive economic growth and investment opportunities. Noting the effects of the COVID-19 pandemic on economies in the region, the senior officials discussed the importance of spurring economic growth as a response to the pandemic. They also reaffirmed U.S. support for the AfCFTA and other initiatives which aim to achieve sustainable economic development.

U.S. Government Support of the African Continental Free Trade Area

The U.S. Government has launched a range of activities to support the AfCFTA and plans to further support the negotiations and the implementation of this important trade agreement. In 2021, United States Trade Representative Tai met with the Secretary General of the AfCFTA Secretariat Wamkele Mene to share their visions for further engagement and ways to support regional integration, promote collaboration in support of regional value chains across Africa, attract positive investment on the continent, and improve African workers' livelihoods and opportunities, including for women and youth.

President's Advisory Council on Doing Business in Africa

The President's Advisory Council on Doing Business in Africa (PAC-DBIA) was established by Executive Order in 2014 by President Barack Obama, and is charged with providing analysis and recommendations to the President, through the Secretary of Commerce, on ways to strengthen commercial engagement between the United States and Africa. The PAC-DBIA has proven to be an effective model of public-private collaboration and an excellent forum for the Department of Commerce to maintain its leadership within the U.S. Government programs that promote U.S. businesses in Africa. Notable recommendations from the PAC-DBIA that have been implemented by the U.S. Government include, but are not limited to: the U.S.-Nigeria Commercial and Investment Dialogue; Memoranda of Understanding for commercial cooperation between the United States Government and four sub-Saharan African countries (Côte d'Ivoire, Ghana, Kenya and Mozambique); an Export-Import Bank policy change to decrease domestic content requirements; a new blended finance mechanism of the Millennium Challenge Corporation - the American Catalyst Facility for Development; and the partnership between the U.S. Trade and Development Agency (USTDA) and the Government of Kenya under USTDA's Global Procurement Initiative.

The 2019-2021 term of the PAC-DBIA produced two written reports. The Keys to Success Report, adopted in February 2020, provided best practices for U.S. companies approaching African markets for the first time, competing for business opportunities, or operating sustainably and profitably. The report on Recommendations for Implementing Prosper Africa, adopted in July 2020, provided advice for the U.S. Government as it implemented the Prosper Africa initiative. In addition to the Council's written products, during the COVID-19 pandemic, members organized and executed a series of five webinars to present and elaborate on the Keys to Success Report, aiming to provide practical advice to other U.S. companies

interested in doing business in Africa. In a similar vein, three of the PAC-DBIA's members organized a webinar called "Enabling Women Entrepreneurs in U.S.-Africa Trade and Investment," featuring women entrepreneurs, U.S. government officials, and an academic expert, along with special remarks from Kenyan Ambassador to the United States, Lazarus Amayo. The PAC-DBIA conducted fact-finding engagements with the President of Angola and Ghana's Minister of Trade and Investment in December 2020 and June 2021, respectively. Prior to the onset of the COVID-19 pandemic, the Department of Commerce and PAC-DBIA members had begun developing plans for a fact-finding trip to Africa, but planning was put on hold and a trip was not feasible before the expiration of the 2019-2021 PAC-DBIA term.

The Department of Commerce will be announcing a new cohort of members for the fourth term of the PAC-DBIA.

Secretary Blinken's November 2021 Visit to Kenya, Nigeria and Senegal

In November 2021, Secretary of State Blinken visited Kenya, Nigeria, and Senegal. During the visit, the Secretary underscored the depth of the United States' relationship with African partners and advanced U.S.-Africa collaboration on shared global priorities, including ending the COVID-19 pandemic and building back to a more inclusive global economy. Secretary Blinken began his trip in Nairobi, where he met with Kenyan President Uhuru Kenyatta and Cabinet Secretary for Foreign Affairs Ambassador Raychelle Omamo. Secretary Blinken affirmed the U.S.-Kenya strategic partnership across five pillars, including economic prosperity, trade, and investment.

In Abuja, Nigeria, during meetings with President Muhammadu Buhari, Vice President Yemi Osinbajo, and Foreign Minister Geoffrey Onyeama, Secretary Blinken discussed furthering cooperation on global health security, expanding energy access and economic growth, and revitalizing democracy. Secretary Blinken also delivered a speech on U.S.-Africa policy and engaged with Nigerian entrepreneurs in the digital sector.

Secretary Blinken concluded his trip in Dakar, Senegal, where he met with President Macky Sall and Foreign Minister Aïssata Tall Sall to reaffirm the close partnership between the United States and Senegal. Secretary Blinken engaged in events that highlighted the strong U.S. commercial relationship with Senegal, amplified the role of female Senegalese entrepreneurs, and showcased the U.S. partnership to combat the COVID-19 pandemic.

U.S.-Cabo Verde Partnership Dialogue

In March 2021, senior officials from the United States and the Republic of Cabo Verde held the third bilateral Partnership Dialogue. U.S. Acting Assistant Secretary of State Robert Godec and Cabo Verde Minister of Foreign Affairs and Communities Abroad and of Defense Rui Figueiredo Soares launched the Dialogue. Participants discussed Cabo Verde's plans to privatize state-owned enterprises, its sustainable development plan for 2017-2021, and Cabo Verde Ambition 2030, which offers mutually beneficial trade and investment opportunities. Participants underscored promoting trade, investment, engagement with the Cabo Verdean diaspora, and increasing opportunities for women entrepreneurs as keys to further strengthening and diversifying economic ties. In September 2021, the American Embassy in Praia hosted the "Empowering U.S. - Cabo Verde Women's Entrepreneurship Partnership" event to expand the bilateral commercial relationship.

Chapter 4: AGOA Eligibility and Country Reports

This chapter contains information on: 1) the AGOA eligibility criteria; 2) the annual AGOA eligibility review process; 3) recent changes in eligibility of countries during the past two years, and; 4) detailed country reports assessing whether each beneficiary country is continuing to meet the eligibility requirements.

While legal authorization for duty-free benefits under GSP expired on December 31, 2020, tariff lines covered by GSP remained eligible for AGOA beneficiaries.

AGOA Eligibility Criteria

The Administration is continuing to administer AGOA and other preference programs in accordance with the statutory eligibility criteria.

To qualify for AGOA benefits, countries must meet the eligibility criteria set forth in: (1) section 104 of AGOA (19 U.S.C. 3703); and (2) section 502 of the Trade Act of 1974 (19 U.S.C. 2462) (hereinafter 1974 Act). The eligibility requirements set forth in Section 104 of AGOA include requirements that the country establish or be making continual progress toward establishing, *inter alia*: a market-based economy; the rule of law, political pluralism, and the right to due process; the elimination of barriers to U.S. trade and investment; economic policies to reduce poverty; a system to combat corruption and bribery; and the protection of internationally recognized worker rights. In addition, the country may not engage in activities that undermine U.S. national security or foreign policy interests or engage in gross violations of internationally recognized human rights.

Section 502 of the 1974 Act includes bases for ineligibility for benefits as well as factors that the President shall take into account in determining whether to provide benefits under the GSP. According to the 1974 Act, in order to be eligible for benefits, a country: (1) may not be a Communist country, unless it receives nondiscriminatory treatment, is a member of the General Agreement on Tariffs and Trade and the International Monetary Fund, and is not dominated or controlled by international communism; (2) may not be a party to an arrangement of countries and participate in actions the effect of which is to withhold supplies of vital commodities or raise the price of such commodities to an unreasonable level and cause serious disruption of the world economy; (3) may not afford preferential treatment to products of a developed country that has, or is likely to have, a significant adverse effect on United States commerce; (4) may not have nationalized, expropriated, or otherwise seized property of U.S. citizens or corporations without providing, or taking steps to provide prompt, adequate, and effective compensation, or submitting such issues to a mutually agreed forum for arbitration; (5) may not have failed to recognize or enforce arbitral awards in favor of U.S. citizens or corporations; (6) may not aid or abet, by granting sanctuary from prosecution, any individual or group that has committed an act of international terrorism; (7) must not have failed to take or be taking steps to afford internationally recognized worker rights, and; (8) must not have failed to implement its commitments to eliminate the worst forms of child labor.

The factors that the President shall take into account under section 502 to assess eligibility include: (1) an expression by the country to be designated as a beneficiary; (2) the level of economic development; (3) whether or not other major developed countries are providing preferential treatment; (4) the extent to which the country has assured the United States that it will provide market access and refrain from unreasonable export practices; (5) the extent to which the county is providing

adequate and effective protection and enforcement of intellectual property rights; (6) the extent to which the country has taken action to reduce trade distorting investment practices and policies and reduce or eliminate barriers to trade in services, and; (7) whether or not the country has taken or is taking steps to afford workers with internationally recognized worker rights.

The AGOA and GSP eligibility criteria are included in Appendices 2 and 3, respectively.

The Annual AGOA Eligibility Review

The AGOA legislation requires the President to determine annually which of the countries listed in the 1974 Act are eligible to receive benefits. These decisions are supported by an annual interagency review, chaired by USTR. This review examines whether each designated AGOA beneficiary country continues to meet the eligibility criteria and whether circumstances in ineligible countries have improved sufficiently to warrant their designation as a beneficiary country.

The AGOA country eligibility determination process is rigorous. A comprehensive review is conducted, based on statutory eligibility criteria of each country that has requested designation as an AGOA beneficiary. During each annual review a number of concerns surface for every country. Addressing these concerns is an important aspect of targeted U.S. policy objectives to be pursued with specific governments.

TPEA provides additional tools to support compliance with AGOA eligibility criteria, including by providing greater flexibility to withdraw, suspend, or limit benefits under AGOA if it is determined that such action would be more effective than termination of AGOA eligibility. It also improved transparency and participation in the AGOA review process and created a public petition process to review countries' AGOA eligibility. In addition, TPEA authorized the initiation of out-of-cycle reviews of a country's eligibility.

To date, Somalia and Sudan have never been reviewed during this annual process as neither has requested designation as an AGOA beneficiary country. Equatorial Guinea and Seychelles have graduated from the Generalized System of Preferences (GSP) program on the basis of per capita income and therefore are not eligible for consideration for AGOA benefits.

Recent Changes in AGOA Eligibility

There are now 36 countries eligible for the program. The annual review conducted in 2020 resulted in the reinstatement of the Democratic Republic of the Congo as a beneficiary of AGOA as of January 1, 2021, due to sufficient progress toward meeting the eligibility requirements of AGOA.

The annual eligibility review conducted in 2021 resulted in the termination of AGOA eligibility for Ethiopia, Guinea, and Mali as of January 1, 2022. The President made this determination based upon the unconstitutional change in governments in both Guinea and Mali, and the gross violations of internationally recognized human rights in Ethiopia.

Country Reports

The remainder of this chapter contains detailed country analysis assessing whether each beneficiary is continuing to meet AGOA eligibility requirements. All concerns may not be addressed in this report.

ANGOLA

Current Status: AGOA Eligible.

Market Economy/Economic Reform/Elimination to Barriers to U.S. Trade: The Angolan economy remains in a challenged position amid the lingering impact of the COVID-19 pandemic. The country remains heavily dependent on oil and gas which account for 95 percent of export revenues, but the Government of the Republic of Angola has made a concerted effort to diversify the economy away from oil and to attract investment in other sectors. The government continues to work with multilateral and bilateral donor partners to implement economic reform programs. Under its International Monetary Fund (IMF) program, Angola is privatizing state-owned enterprises, strengthening its banking system, improving the business environment, updating its legal framework, and strengthening governance. Angola has awarded a number of public procurements in a transparent manner, some of which were awarded to U.S. or U.S.-supported companies. A January 2019 decree aimed at reducing Angola's reliance on imports, which targets numerous (mainly agricultural) products, continues to pose numerous risks to U.S. exports across a variety of industries. Exporters also encounter significant foreign exchange constraints.

Rule of Law/Political Pluralism/Anticorruption: In February 2021, the government adopted a new penal code that entered into force and increased penalties for crimes by public officials. During the reporting period, women's rights advocates have an increasingly vocal presence in Angola's politics. However, the Angolan justice system is slow, arduous, and often lacks impartiality. Legal fees are high, and most businesses avoid taking commercial disputes to court in the country. Judicial independence remains a concern and executive powers are broad and varied, leaving the parliament to act largely as a rubber stamp in approving the president's policies. Angola ranked 142 out of 190 in Transparency International's 2020 Corruption Perceptions Index. Corruption remains widespread with inadequate checks and balances as well as a lingering culture of impunity.

Poverty Reduction: Angola has reaffirmed its commitment to reducing poverty by establishing active employment policies, promoting entrepreneurship, and reforming the social security system. Inclusive growth and poverty reduction are central development goals imbedded in the GRA's 2018-2022 National Development Plan. Social integration and financial education support for family farming in rural areas were also part of the government's efforts to combat poverty. The GRA developed a cash transfer program to support impoverished and vulnerable families, a program that could provide a permanent social safety net system. However, Angola's multi-year economic recession coupled with the COVID-19 pandemic have hampered growth and worsened unemployment levels.

Labor/Child Labor/Human Rights: Angola has made efforts to address child labor and trafficking in persons. The government has increased the number of labor inspectors and increased prosecutions of officials accused of trafficking in persons and forced labor. However, concerns remain with regard to freedom of association and the right to organize and bargain collectively. Other concerns include restrictions on free expression and media; interference with the freedom of peaceful assembly; and a lack of accountability for gender-based violence.

International Terrorism/U.S. National Security: Angola does not support international acts of terrorism, nor engage in activities that undermine U.S. national security interests.

BENIN

Status: AGOA Eligible.

Market Economy/Economic Reform/Elimination to Barriers to U.S. Trade: Benin has continued to show support for a market-based economy and robust foreign trade and investment. Progress has been made to strengthen its national electrical utility company through a private management contract, facilitate new investments with foreign companies, and increase business creation. Concerns remain regarding Benin's willingness to resolve disputes with U.S. companies through internationally accepted mechanisms. The Government of Benin also continues to maintain strict price controls over important commodities, including fuel and cement.

Rule of Law/Political Pluralism/Anticorruption: Due to electoral reforms and legal revisions, no opposition party was qualified to participate in the 2019 legislative elections or the 2021 presidential election, effectively excluding all opposition candidates. Consequently, all 83 seats in the National Assembly are occupied by Members of Parliament from two pro-government parties. Benin's Economic Crime and Terrorism Court, created in 2018, has also convicted and sentenced numerous government critics and political and commercial opponents since its inception, raising concerns about its independence. In 2020, Freedom House downgraded Benin's ranking from Free to Partly Free, and its ranking fell further in 2022. Benin is ranked 78 out of 180 countries in Transparency International's 2021 Corruption Perceptions Index. The Ministry of Interior continues to operate a hotline for citizens to report police-related corruption.

Poverty Reduction: Benin has a Government Action Plan aimed at modernizing Benin's infrastructure, improving livelihoods, and developing the economy. Benin also developed and published a national, comprehensive response plan to the COVID-19 pandemic. In 2020, the government began the pilot phase of a comprehensive health insurance program in eight communities, whose aim is to ensure that all Beninese citizens have access to health insurance, training programs, credit, and retirement benefits and prioritizes those in the informal labor sector to decrease their vulnerability to economic shocks. The Agency for Health Infrastructure, Equipment and Maintenance, created in May 2020, enforces and monitors regulation of health infrastructure.

Labor/Child Labor/Human Rights: The Government of Benin has made efforts to address child labor and trafficking in persons. Although the government has limited resources to enforce labor laws, labor inspections dramatically increased during the reporting period after the government decentralized labor inspections and based inspectors close to their designated inspection areas. Concerns remain with regard to freedom of association and the right to organize and bargain collectively, restrictions on free expression and media; interference with freedom of peaceful assembly; and a lack of accountability for gender-based violence.

International Terrorism/U.S. National Security: Benin does not support international acts of terrorism nor engage in activities that undermine U.S. national security interests.

BOTSWANA

Status: AGOA Eligible.

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: Botswana offers a stable fiscal and macroeconomic environment and has one of the most attractive investment climates in Africa. The country has made significant efforts to attract foreign direct investment and reduce red tape for investors. Botswana also offers low tax rates and has no foreign exchange controls. The country's economy is still heavily reliant on the mining sector. Declines in tourism due to the COVID-19 pandemic have hampered the country's economy. To mitigate the economic impact of the COVID-19 pandemic, the Government of Botswana heavily drew down its reserves, suspended certain infrastructure development projects, and diverted funds towards COVID-19 containment efforts.

Rule of Law/Political Pluralism/Anticorruption: Botswana remains a long-standing, multi-party democracy with free and fair elections and is traditionally cited as one of the least corrupt countries in Africa. The judiciary is independent from the legislative and executive branches and produces predictable, law-based decisions. Despite Botswana's progress, parliamentary oversight is weak because the legislature lacks adequate enforcement mechanisms and is highly dependent on the executive branch. Throughout the reporting period, Botswana has taken steps towards greater transparency, however, freedom of information legislation has yet to be realized.

Poverty Reduction: In response to the COVID-19 pandemic, Botswana created a short-term loan facility to support micro businesses. The government continued to create employment opportunities for young people through initiatives that enable youth to start small businesses across the country. However, Botswana has one of the highest rates of income inequality in the world and unemployment levels remain high, particularly among the youth. The prevalence of HIV/AIDS and tuberculosis rates are still among the highest in the world and continue to impose a heavy societal and economic burden. Botswana's efforts to combat HIV/AIDS and other diseases, including COVID-19, are complicated by the heavy toll the HIV epidemic has taken on its health care system.

Labor/Child Labor/Human Rights: The Government of Botswana has made efforts to address trafficking in persons and child labor. The government took steps to prosecute officials who committed abuses or were implicated in corruption. The government continued to limit the San ethnic group's access to their tribal homeland. Concerns remain with regard to freedom of association, the right to organize and bargain collectively, and the existence of the worst forms of child labor. Other concerns include restrictions on free expression and media.

International Terrorism/U.S. National Security: Botswana does not support international acts of terrorism, nor engage in activities that undermine U.S. national security interests.

BURKINA FASO

Status: AGOA Eligible.

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: Burkina Faso is a low-income, landlocked country with limited natural resources. The Government of Burkina Faso continues to work with foreign companies and strives to attract foreign investors. The Burkinabé National Assembly adopted a law to promote investment in the agricultural sector and a separate law offering tax breaks to investors, including exemptions from value-added tax on certain equipment. The Burkinabé government continues to finance and run the Center for Business Formalities with satellite offices throughout the country to assist business start-ups and to assist in contract enforcement and dispute resolution.

Rule of Law/Political Pluralism/Anticorruption: In January 2022 (after USTR concluded its annual AGOA eligibility review), members of the Burkinabé military deposed the democratically elected government in a coup d'état, forcing President Roch Kabore to resign, dissolving the government and national assembly, and suspending the constitution. The junta's leader Lieutenant Colonel Paul-Henri Damiba, was named the head of state and military and on February 2022, Burkina Faso's Constitutional Court ruled that Damiba had succeeded Kabore as President after the court ruled Kabore's resignation valid. International observers believe that the decision to approve Damiba as president was unconstitutional, as it circumvented the constitutional provisions for presidential succession. Following a national conference in February 2022, a transitional charter was signed by *de facto* President Damiba, laying out a three-year transition period until elections are held and authorized the establishment of a transitional government. Regional blocs such as ECOWAS urged the transition authorities to reduce the timeline, with the possibility of potential sanctions. The security situation has worsened since the military takeover and although the Constitution and Burkinabé law prohibit arbitrary arrest and detention, authorities do not always provide detainees with due process and are not consistently informed of charges against them. Nongovernmental organizations (NGOs) report that elements of the judiciary are inefficient, subject to executive influence, and corrupt and often prevent judicial decisions/laws from being enforced.

Poverty Reduction: Burkina Faso is one of the world's poorest countries. Acute food insecurity, for example, results in frequent pressure on the government to prioritize emergency food assistance. The Burkinabé government developed and implemented a five-year national plan that seeks to reduce poverty. In recent years, Burkina Faso has made considerable progress in the area of education despite a significant rise in insecurity and terrorism challenges.

Labor/Child Labor/Human Rights: Burkina Faso has made efforts to address child labor. The government created a National Coordination Committee to enact the 2019–2023 National Strategy to Combat the Worst Forms of Child Labor, and it continued to carry out a new National Survey on Child Labor. During the reporting period, the government did not increase its efforts to combat trafficking in persons and was downgraded to the Tier 2 Watch List in the U.S. State Department's 2021 Trafficking in Persons Report. Concerns remain with regard to freedom of association and government capacity to enforce labor laws, restrictions on free expression and media, and a lack of accountability for gender-based violence.

International Terrorism/U.S. National Security: Burkina Faso does not support international acts of terrorism, nor engage in activities that undermine U.S. national security interests.

BURUNDI

Status: Not AGOA Eligible. (Terminated 2016)

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: Burundi sought to expand trade opportunities with countries from regional economic blocs, and renewed efforts to join the Southern African Development Community. To improve the business climate and attract investment, Burundi is currently drafting new laws relating to the investment and mining codes that encourage participation from reputable international firms and that are consistent with international business norms. Despite the progress, Burundi's investment climate continues to be difficult. The pandemic has also severely affected Burundi's economy and exacerbated the country's pre-COVID-19 fiscal and financing pressure and continued to deplete its existing low level of foreign reserves.

Rule of Law/Political Pluralism/Anticorruption: Despite some voting irregularities and instances of violence in the runup to the 2020 election, most observers characterized it as relatively peaceful, and the international community has accepted the results as legitimate. Since taking power, the new administration has taken steps to remove previous restrictions and limitations on opposition parties and the press. Despite these steps towards political pluralism, the country's main opposition party continues to experience harassment, torture, and arbitrary arrests and detention. Burundi has begun taking steps to prosecute government and ruling party members accused of abuse and torture. President Ndayishimiye has targeted public corruption and proclaimed it one of the administration's top domestic priorities. While the administration removed a minister of trade for alleged corruption and fired hundreds of officials accused of malfeasance, Burundi ranked 169 of 180 countries in Transparency International's 2021 Corruption Perception Index

Poverty Reduction: President Ndayishimiye has placed poverty reduction and economic growth at the top of his administration's agenda. The Government of Burundi also sought to restart cooperation with the IMF and World Bank, in an effort to qualify for increased development and humanitarian assistance. Burundi made efforts to expand investment in agriculture by improving value chains. It has also sought to augment investment in infrastructure, mining, and regional trade, with the stated goals of increasing revenues, reducing poverty levels, and lowering youth unemployment.

Labor/Child Labor/Human Rights: The Government of Burundi has made efforts to address child labor and trafficking in persons. Burundi was upgraded to Tier 2 Watch List in the U.S. State Department's 2021 Trafficking in Persons Report, as the government improved efforts to combat trafficking in persons, including significantly increasing investigations and prosecutions of suspected traffickers and, for the first time in six years, both convicted traffickers and referred victims to assistance. The government lacks resources to conduct labor inspections and criminal investigations, however. Other concerns include restrictions on free expression and media; interference with the freedoms of peaceful assembly and of association, including overly restrictive laws on the organization, funding, or operation of nongovernmental organizations and civil society organizations; and lack of accountability for gender-based violence. There are credible reports of continuing human rights violations, such as killings, disappearances, torture, ill-treatment, and arbitrary arrests and detention, although some steps toward accountability have begun.

International Terrorism/U.S. National Security: Burundi does not support international acts of terrorism nor engage in activities that undermine U.S. national security interests.

CABO VERDE

Status: AGOA Eligible.

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: Cabo Verde remains committed to seeking stronger, broader, and deeper commercial relations with the United States. Diversification of the economy is a priority and an economic driver for the Government of Cabo Verde as it continues to encourage private sector development. The government's new development strategy seeks to open opportunities for private sector investors in sustainable tourism and renewable energy. The Government of Cabo Verde nonetheless retains a significant presence in the transportation sector and public utilities, and the public sector remains a large employer.

Rule of Law/Political Pluralism/Anticorruption: Cabo Verde is a regional leader in political and economic freedom, respect for rule of law, and anti-corruption. Cabo Verde's judiciary remains independent of political influence. The government's commitment to due process and equal protection under the law remains strong. However, the judicial system is overburdened, and investigators and prosecutors struggle with heavy caseloads. Moreover, there is a need for training in areas such as money laundering and cybercrime. In 2021, Cabo Verde ranked 39th out of 180 countries (second best among African countries) in Transparency International's Corruption Perceptions Index.

Poverty Reduction: In 2020, the government extended free compulsory public schooling through the twelfth grade for all students. In response to rising unemployment during the COVID-19 pandemic, the government instituted a furlough program that protected some workers from losing their jobs and some employers from going bankrupt. Cabo Verde is also providing basic support and income to informal workers. Although the country has dramatically reduced its poverty rates since its independence, the effects of the pandemic will likely undo some of those gains. In 2020, unemployment overall increased to 15.3 percent from approximately 12.2 percent in 2019.

Labor/Child Labor/Human Rights: The Government of Cabo Verde continues to be a regional model for human rights. It has made efforts to address child labor and trafficking in persons. The Observatory for Monitoring and Rapid Identification of Situations of Trafficking in Persons developed internal procedures and a list of priorities related to human trafficking, including child trafficking, and the government identified and referred to care potential child trafficking victims and continued ongoing prosecutions of alleged traffickers. The informal sector, estimated at more than 50 percent of the workforce, provides minimal protections for workers. Law enforcement officials often lack the necessary resources to conduct thorough investigations, and communication among enforcement agencies is limited.

International Terrorism/U.S. National Security: Cabo Verde does not support international acts of terrorism nor engage in activities that undermine U.S. national security interests.

CAMEROON

Current Status: Not AGOA Eligible (Terminated in 2020)

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: Cameroon's market-oriented economy is relatively well-diversified compared to other African countries but it contracted by 1.5 percent in 2020 due to the impact of COVID-19, the drop in international oil prices, and the ongoing security crisis in the country's English-speaking regions. Economic actors are mostly allowed to operate freely and the state nominally guarantees a legal framework for fair competition. However, there is rampant corruption and a lingering tendency within the government to interfere unduly in the business sector which deters investment and growth. Over the past decade, the government has maintained its presence in the economy through numerous state-owned enterprises in many important sectors.

Rule of Law/Political Pluralism/Anticorruption: The political system remains dominated by the ruling Cameroon People's Democratic Movement (CPDM). President Paul Biya has been in power for over 35 years and the government continues to restrict activities of the opposition party, including its leaders. In efforts to address the Anglophone crisis and advance decentralization efforts, Cameroon held regional elections for the first time in December 2020 and these took place in relative calm, attracting little attention from the population and local and international observers. The ruling CPDM solidified its control in nine of 10 regions. Corruption in Cameroon remains a serious challenge and Transparency International's Corruption Perceptions Index rated Cameroon 144 out of 180 countries in 2021.

Poverty Reduction: Cameroon's poverty reduction strategies and "Vision 2035" have faced challenges, especially as the country seeks to align the national poverty reduction objectives with those of the Millennium Development Goals. Since 2012, the targets for employment, state governance, and macro-economic and budgetary stability have not been reached. In recent years, the government has revised the strategy to focus on infrastructure development, modernization of production processes, regional integration, and diversification of commercial transactions.

Labor/Child Labor/ Human Rights: Cameroon's AGOA eligibility was terminated in 2020 due to gross violations of internationally recognized human rights. The government has taken some steps to address credible allegations of human rights abuses and to resolve the years-long separatist movement in the country's Anglophone regions. Concerns remain with regard to freedom of association, the right to organize and bargain collectively, and reported allegations of hereditary slavery in the northern region of Cameroon.

International Terrorism/U.S. National Security: Cameroon does not support international acts of terrorism nor engage in activities that undermine U.S. national security interests.

CENTRAL AFRICAN REPUBLIC

Current Status: AGOA Eligible (Reinstated in 2017)

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: The Central African Republic has a functioning market-based economy. Despite challenges posed by the COVID-19

pandemic and an increase in violence during the reporting period, including an attempted coup in January 2021, the government continues to make progress in establishing a business-friendly climate that respects the rule of law. The weak global demand for agricultural raw materials and mining resources significantly reduced the Central African Republic's economic growth forecast. There are no explicit barriers to U.S. trade.

Political Reforms/Rule of Law/Anticorruption: The Government of the Central African Republic works to extend its presence and state services throughout the country but the rule of law continues to be weak and is non-existent in areas under control by armed groups. In the immediate aftermath of the December 2020 presidential and legislative elections, government officials restricted the movement of journalists in several instances. The government generally failed to investigate and hold accountable those responsible for pro-regime paramilitary attacks on opposition members or their property. The Government of the Central African Republic continues to struggle with high levels of corruption and ranked 154 out of 180 countries in the 2021 Transparency International Corruption Perceptions Index.

Poverty Reduction: CAR is the second poorest country in the world with 79.4 percent of the population living in poverty and another 13.1 percent vulnerable to extreme poverty. CAR's post-conflict national recovery and peacebuilding plan for 2017-2022 aims to renew the social contract between the state and the population by providing basic social services such as education, health, water, and sanitation services; and promote economic recovery and boost productive sectors.

Labor/Child Labor/Human Rights: The Government of the Central African Republic has made efforts to address child labor and trafficking in persons. During the reporting period, the government investigated more trafficking cases and coordinated with partners to demobilize 855 children associated with non-state armed groups. In addition, the government continues to cooperate with the hybrid national/international Special Criminal Court (SCC) and worked with the SCC to develop cases against individuals charged with war crimes. Although the government doubled the number of labor inspectors in 2020, the labor inspectorate continued to lack the financial and material resources necessary to adequately enforce the country's labor laws. Concerns remain with regard to freedom of association and the right to organize and bargain collectively. Other concerns include restrictions on free expression and lack of accountability for gender-based violence.

International Terrorism/U.S. National Security: The Central African Republic does not support international acts of terrorism, nor engage in activities that undermine U.S. national security interests.

CHAD

Current Status: AGOA Eligible

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: Chad's formal economy is open and market-based, and the Government of Chad reiterated a commitment to private sector development throughout the reporting period. Chad's economy remains fragile and is vulnerable to risk due to factors such as oil price volatility, regional insecurity, and the COVID-19 pandemic. In 2020, the government authorized tax credits for renewable energy investments, including solar power projects that are still in effect. However, Chad's business climate remains challenging and private sector development is hindered by limited access to capital, lack of

infrastructure, high tax burdens on private enterprises, lack of skilled labor, weak contract enforcement and corruption.

Rule of Law/Political Pluralism/Anticorruption: The unexpected April 2021 death of longstanding President Idriss Déby Itno ended Chad's longest period of relative political stability since its independence in 1960. Following President Déby Itno's death, his remaining generals dissolved both the National Assembly and the 2018 constitution and drafted a new National Transition Charter (replacing the 2018 constitution) to form a transitional government to oversee the writing of a new constitution, national dialogue on Chadian issues, and new parliamentary and presidential elections. The Government of Chad last held legislative elections in 2011; members were elected to four-year terms. The government delayed the 2015 legislative elections numerous times due to concerns over terrorism, lack of funding, and COVID-19. It again scheduled them for April 2021 before logistical and budgetary constraints prompted then President Déby Itno to postpone once again, this time to October 2021. Prior to the transitional military government's dissolution of the National Assembly, legislators had overextended their mandate by more than five years. The timeline for legislative elections is, once more, pending.

Poverty Reduction: As the COVID-19 pandemic worsened and oil prices remained low, financial constraints for the GOC increased, forcing it to further reduce spending on priority development sectors, such as health, education, and social infrastructure. Chad remains one of the world's poorest countries with an estimated 62 percent of the population living below the international poverty level of \$1.25 per day. The country is subject to high rates of illiteracy, gender inequality, and maternal and infant mortality.

Labor/Child Labor/Human Rights: Chad has made efforts to address child labor and trafficking in persons. However, authorities did not report investigating, prosecuting, or convicting any confirmed trafficking cases during the reporting period. Concerns remain with regard to freedom of association. Other concerns include restrictions on free expression and media; interference with the freedom of peaceful assembly, including overly restrictive laws on the organization, funding, or operation of nongovernmental and civil society organizations; and lack of accountability for gender-based violence.

International Terrorism/U.S. National Security: Chad does not support international acts of terrorism, nor engage in activities that undermine U.S. national security interests.

COMOROS

Current Status: AGOA Eligible.

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: Comoros continues to have a fragile and rudimentary economy, marked by government inefficiency, government ownership of economic assets, a lack of resources and infrastructure, and limited and intermittent electricity generation. Comoros suffers from geographic isolation, a small domestic market, and a shortage of arable land. The COVID-19 pandemic resulted in a decline in economic growth during the review period as the three main export crops (vanilla, cloves, ylang-ylang oil) are vulnerable to world market conditions. A lack of general opportunity and the small size of the market hampers

U.S. economic activity with the Comoros. Its economy contracted in 2020 due to substantial drops in trade, tourism, and remittances, which were all heavily affected by the COVID-19 pandemic.

Rule of Law/Political Pluralism/Anticorruption: Comoros' political pluralism remains weak against a backdrop of historical instability. Comoros had three peaceful transitions of power following generally free and fair elections, starting in 2002, although the 2019 election suffered from both unrest and a lack of credibility and transparency. The opposition boycotted parliamentary elections in 2020. The government adopted a new penal code in February 2021 that guarantees the right to due process as well as a fair trial and equal protection under the law. In practice, however, due process was not assured. Discrimination against religious minorities remains present, in particular against non-Sunni Muslims. Corruption remains a problem. Four months after his election in May 2016, President Azali circumvented a court decision and dissolved the national anticorruption commission, claiming it had not served the purpose for which it had been created and failed to appoint any new commissioners or renew the incumbents' mandates. According to Transparency International, Comoros ranked 160 out of 180 countries in the 2020 Index.

Poverty Reduction: Comoros remains a poor country, with economic growth unable to lift its young population into higher standards of living. The government in December 2019 adopted an Emergency Plan that aims to reduce poverty and promote the country to emerging countries by 2030. 70 to 90 percent of remittances are used for consumption or for the construction of private houses, rather than being invested in public infrastructure or development projects. Employment opportunities in Comoros are minimal.

Labor/Child Labor/Human Rights: The Government of Comoros has made efforts to address child labor. In 2020, the government passed a new penal code that criminalizes child trafficking, forced child labor, child labor in hazardous occupations, and other instances of the worst forms of child labor. The government did not allocate sufficient human and financial resources to enforce its labor laws, employing only four labor inspectors and not providing transportation funds to conduct inspections. Comoros has remained on Tier 3 of the Trafficking in Person's Report since 2015 and has never convicted a trafficker. In 2021, the government investigated trafficking crimes for the first time since 2014. Other concerns include restrictions on free expression and media, interference with the freedom of peaceful assembly, and lack of accountability for gender-based violence.

International Terrorism/U.S. National Security: Comoros does not support international acts of terrorism, nor engage in activities that undermine U.S. national security interests.

CÔTE D'IVOIRE

Status: AGOA Eligible.

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: Côte d'Ivoire has a dynamic, market-based, commodity-driven economy in which financial and capital markets are open and continue to attract domestic, regional, and international capital. From 2012 through 2019, Côte d'Ivoire grew by more than six percent each year, supported by commodity exports, macroeconomic stability, an improved business climate, and infrastructure upgrades. However, in 2020, economic growth slowed, the fiscal deficit widened, and public debt levels increased due to the impact of COVID-19. Dozens of U.S. companies operate in Côte d'Ivoire, but imposition of a five-year ban on

sugar imports to protect the local industry in January 2020 troubled foreign investors. Inadequate enforcement of intellectual property rights remains a serious concern.

Political Reform/Rule of Law/Anticorruption: Côte d'Ivoire is a multiparty, constitutional democracy with an active and vocal opposition. All political parties regularly use the country's diverse and independent media to communicate their perspectives to the public. The constitution provides for an independent judiciary, as well as the right to a fair and public trial, though the government does not always observe these provisions in practice. Côte d'Ivoire experienced a backslide in political rights and civil liberties following an October 2020 presidential election marred by violence and an opposition boycott. Public demonstrations and protests were banned throughout the election period; state security forces did little to stop armed militias from attacking unarmed civilians protesting the election; and, the government targeted members of the political opposition with arrest and detention. By contrast, the 2021 legislative elections were the most inclusive in years and transpired without significant incident. Many firms see corruption and opaque government procurement procedures as obstacles to doing business in Côte d'Ivoire. Côte d'Ivoire is ranked 105 out of 180 countries in Transparency International's 2021 Corruption Perceptions Index.

Poverty Reduction: Côte d'Ivoire's 2021-25 National Development Plan is the government's \$107 billion five-year investment strategy to foster economic development and reduce poverty. According to World Bank data, the country has also moved from 55 percent of the population living below the poverty line in 2011 to 39 percent in 2018.

Labor/Child Labor/Human Rights: The Government of Côte d'Ivoire has made efforts to address child labor and trafficking in persons. The government established new specialized police units to investigate child labor and child trafficking across the country and rescued 138 children from suspected traffickers during the most recent reporting period. In addition, the government maintains and empowers specialized coordination units to investigate complex crimes, such as human trafficking. Concerns remain with regard to freedom of association, and enforcement of labor laws remains weak, due to financial constraints, a lack of regularly updated data, and coordination challenges within and among technical agencies. Other concerns include restrictions on free expression and media, and lack of accountability for gender-based violence.

International Terrorism/U.S. National Security: Côte d'Ivoire does not support international acts of terrorism, nor engage in activities that undermine U.S. national security interests.

DEMOCRATIC REPUBLIC OF THE CONGO

Status: AGOA Eligible (Reinstated in 2021)

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: The Government of Democratic Republic of the Congo wants to diversify the economy and improve the ease of doing business through its "single window" business application process. In April 2021, President Tshisekedi committed publicly to mitigate the effects of climate change by setting a goal to preserve the Congo Basin rainforest and restore the country's forest cover to 63.5 percent by 2030. U.S. companies have noted that ministries impose new taxes with little or no review, and most U.S.

investment disputes center around disagreements over the Government of Democratic Republic of the Congo's taxation decisions.

Rule of Law/Political Pluralism/Anticorruption: The Government of Democratic Republic of the Congo has taken notable and visible steps to improve corruption by arresting high-level officials, including from within the President's own administration, but petty corruption still exists. Transparency International ranked DRC 169 out of 180 countries in the 2021 Corruption Perceptions Index. In June 2021, President Tshisekedi hosted the U.S.-DRC human rights dialogue, which covered a wide range of issues and represented the first dialogue of its kind with the DRC.

Poverty Reduction: The Tshisekedi Administration issued measures during the pandemic to prevent price gouging and to alleviate the pandemic's impact on Congolese citizens. The government had announced a health care plan in February 2020, but postponed its implementation due to the pandemic. Poverty and food insecurity levels remain elevated in rural areas, despite tremendous agricultural potential. Curfews and closures implemented to prevent the spread of COVID-19 disproportionately affected the estimated 80 percent of Congolese who work in the informal economy. The DRC economy went into a recession after the onset of the COVID-19 pandemic, but the 0.8 percent drop in Gross Domestic Product (GDP) was less severe than initially anticipated.

Labor/Child Labor/Human Rights: The Government of Democratic Republic of the Congo has made efforts to address child labor and trafficking in persons. In 2021, 250 new mining police personnel were trained on the enforcement of regulations that seek to protect human and labor rights in mining areas. In addition, the government convicted an armed group leader of multiple crimes, including child soldier recruitment and sexual slavery, and sentenced him to life imprisonment. Despite these efforts, the DRC remained on the Child Soldiers Prevention Act List as a result of Congolese National Army (FARDC) officers unlawfully using children and continued coordination with an armed group that recruited and used children during the reporting period. The lack of trained enforcement personnel, limited financial resources, and poor coordination of government efforts continued to impact the enforcement of labor laws. Other concerns include restrictions on free expression and media, interference with the freedom of peaceful assembly and freedom of association, and lack of accountability for gender-based violence.

International Terrorism/U.S. National Security: The DRC does not support international acts of terrorism, nor engage in activities that undermine U.S. national security interests.

DJIBOUTI

Current Status: AGOA Eligible.

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: The Government of Djibouti welcomes its citizens to hold property and pursue private business interests, and there are no restrictions on the movement of capital. Djibouti is pursuing reforms to improve the investment climate, including simplifying the tax structure and making progress towards sustainable energy projects. The government is also pursuing a variety of infrastructure projects such as national highways and a gas pipeline to leverage its strategic location. However, electricity costs remain high due to an inefficient government monopoly and Djibouti's dependence on an aging and poorly maintained diesel power plant.

Rule of Law/Political Pluralism/Anticorruption: Although the country held peaceful presidential elections on April 9, 2021, there were questions about whether they were free and fair. President Ismael Omar Guelleh won a fifth term with 98 percent of the vote. The main opposition parties boycotted the elections claiming the election commission was not independent. The government has not implemented African Union (AU) recommendations to strengthen the electoral process. Although the rule of law is weak, Djibouti is making efforts towards addressing corruption. In 2013, the Government of Djibouti created a National and Independent Commission for the Prevention and Fight Against Corruption, which reports directly to the Office of the President. Concerns remain because the commission has not noted any misconduct in public management nor implemented any new rules in the latest reporting period. According to Transparency International Report, Djibouti ranked 128 out of 180 countries in the 2021 Corruption Perceptions Index.

Poverty Reduction: The Government of Djibouti continues to increase access to primary school and to promote attendance. According to the World Bank, the enrollment rate in 2019 is over 75 percent for both boys and girls. Despite improvements in access to education, the quality of schooling remains low. The low ranking is a result of increased food insecurity and malnutrition, high unemployment, low quality of schooling, and lack of access to potable water.

Labor/ Child Labor/ Human Rights: Djibouti has made efforts to address child labor. During the most recent reporting period, for the first time, the labor inspectorate targeted sectors and geographical areas where children are at risk of child labor, including its worst forms. However, Djibouti was downgraded to Tier 2 Watch List for the U.S. State Department's 2021 Trafficking in Persons Report for failing to increase its efforts to combat human trafficking. Concerns remain with regard to freedom of association. Other concerns include restrictions on free expression and media, and interference with the freedom of peaceful assembly, including overly restrictive laws on the organization, funding, or operations of nongovernmental organizations and civil society organizations.

International Terrorism/U.S. National Security: Djibouti does not support international acts of terrorism, nor engage in activities that undermine U.S. national security interests.

ERITREA

Current Status: Not AGOA Eligible.

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: Eritrea does not have a market-based economy and has taken no steps to establish one during the reporting period. The government and its single political party dominate the marketplace and uses its power to artificially set prices for a wide variety of goods, from vegetables to gasoline. The Government of Eritrea does not allow investment in most sectors of the tightly controlled economy. The government strictly controls international trade and does not allow most businesses to export goods. Moreover, the government controls all foreign currency in the country, making it nearly impossible for foreign businesses to repatriate business proceeds.

Rule of Law/Political Pluralism/Anticorruption: The Government of Eritrea is a one-party dictatorship without rule of law. The 1993 Constitution, approved by the National Assembly in 1997,

remains unimplemented. Eritreans are detained and released with no explanation and no due process. Government seizure of personal assets is common and there is no recourse against such actions. There are reports of rampant corruption and bribery in Eritrea by local government and party officials in exchange for access to basic government-supported or subsidized services and even basic civic administrative support. According to the 2021 Transparency International index, Eritrea ranked 161 out of 180 countries.

Poverty Reduction: In 2020, the government continued to implement policies designed to reduce poverty, such as basic support packages to subsistence farmers; however, other economic practices, such as forcing producers to sell at lower prices, restricting access to the means of production, and prohibiting exportation undermine such policies. The government opposes development assistance to reduce poverty and has in many cases expropriated poverty-reduction materials from United Nations partners.

Labor/Child Labor/Human Rights: The Government of Eritrea has made efforts to address child labor but remains complicit in the use of forced labor. Eritrea continues its compulsory and universal national civilian and military service requirement for an indefinite or arbitrary period of time. As a requirement of high school graduation, youths must spend their senior year attending a military academy, which is comprised of seven months of academic instruction followed by five months of basic military training. In addition, children ages 14-16 attend a national mandatory summer work program, called *Maetot*, where they engage in public service projects. The government does not respect freedom of association or collective bargaining in practice, and the ruling party appears to have links to the single trade union confederation. Other concerns include restrictions on free expression and media, interference with the freedom of peaceful assembly, including overly restrictive laws on the organization, funding, or operation of nongovernmental organizations and civil society organizations; and lack of accountability for gender-based violence. In addition, there are credible accounts that implicate Eritrean forces in serious human rights abuses in Ethiopia.

International Terrorism/U.S. National Security: Eritrea does not support international acts of terrorism, nor engage in activities that undermine U.S. national security interests.

ESWATINI

Current Status: AGOA Eligible (Reinstated in 2018)

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: The Government of Eswatini has made progress and remains committed to promoting a market-driven economy. Eswatini has historically leveraged its AGOA preferences. The government strongly supports AGOA and rolled out an ambitious AGOA implementation strategy to take full advantage of its benefits to help its economy recover from the impact of the COVID-19 pandemic. Access to financing for small enterprises continues to be challenging. Eswatini also suffers from poor policy and administrative coordination, a general lack of procedural transparency, and a lack of clear, up-to-date guidance for business.

Rule of Law/Political Pluralism/Anticorruption: Eswatini is a monarchy with limited democratic checks on the king's power. The courts are generally independent of executive control or influence as

outlined by the Swati constitution. The current judicial process is procedurally competent, fair, and reliable, although the capacity of the judiciary to handle cases in a timely manner is extremely limited, creating significant case backlogs. In the 2021 Transparency International Corruption Perceptions Index, Eswatini ranked 122 out of 180 countries. A handful of political parties are now registered as associations and hold bank accounts through which they manage resources for training, advocacy, and other activities. In the summer of 2021, civil unrest thrust Eswatini into the international spotlight as the country experienced an unprecedented period of protests and government crackdowns in which dozens of people died. Long-simmering public dissatisfaction with police impunity, economic inequality, and flagrant royal family excess sparked the unrest and calls by civil society and international observers for inclusive dialogue.

Poverty Reduction: Eswatini, during the review period, continued to work with international partners to improve public financial management, support entrepreneurship, strengthen social protection, and improve equality and equity concerns pertaining to vulnerable groups. Eswatini is building on its collaboration with development partners to implement its Poverty Reduction Strategy and Action Plan. Although Eswatini is considered a middle-income country, it has many characteristics of a low-income country. For example, the minimum wage is low; poverty is widespread, and the middle class is small.

Labor/Child Labor/Human Rights: The Government of Eswatini has made efforts to address child labor and trafficking in persons. During the reporting period, the government convicted an official for sex trafficking and sentenced him to a 55-year prison term. Concerns remain with regard to freedom of association and the existence of the worst forms of child labor. Other concerns include restrictions on free expression and media and interference with the freedom of peaceful assembly.

International Terrorism/U.S. National Security: Eswatini does not support international acts of terrorism, nor engage in activities that undermine U.S. national security interests.

ETHIOPIA

Current Status: Not AGOA Eligible (Terminated in 2022).

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: In the last three years, the Government of Ethiopia has introduced a number of policy reforms to improve the business climate and to attract more foreign direct investment. These reforms include passing a new investment law, acceding to a UN convention on arbitration that enhances protections for foreign investors, ending the state monopoly on telecommunications by awarding a license to a private consortium, and making several long-awaited revisions to the country's commercial code. Ethiopia faces a number of significant macroeconomic challenges, including a large trade deficit, challenges in trade logistics, and external debt servicing difficulties. On top of these issues, there is a critical lack of foreign currency for purchasing imports.

Rule of Law/Political Pluralism/Anticorruption: Upon taking office in 2018, Prime Minister Abiy launched a sweeping reform program that included recognizing and allowing opposition political groups to operate freely, releasing and pardoning regime opponents, easing restrictions on the media, and revising legislation to allow NGOs greater freedom to operate. The Constitution and law provide

citizens the right to change their government peacefully, with federal elections taking place every five years. The judiciary continues to be overburdened and struggles to provide due process consistently, particularly at the regional level. Nevertheless, several high-profile cases have reflected a marked increase in transparency and independence at the federal level. Opposition political parties in Ethiopia still face notable challenges, reporting sporadic incidents of intimidation, brief arrests, and other forms of suppression by local government officials. Ethiopian and foreign businesses routinely encounter corruption in tax collection, customs clearance, and land administration. Ethiopia ranked 87 out of 180 countries in the 2021 Transparency International Corruptions Perception Index.

Poverty Reduction: The Government of Ethiopia has a program in place to decrease Ethiopia's dependency on humanitarian assistance and improve the food security of the country's most vulnerable populations. The government has achieved positive results in increasing food security, improving resilience to shocks, and encouraging sustainable natural resource management.

Labor/Child Labor/Human Rights: Ethiopia was terminated from AGOA in 2022 due to the gross violations of internationally recognized human rights being perpetrated by the Government of Ethiopia. Other parties also engaged in human rights violations amid the widening conflict in northern Ethiopia. In November 2020, fighting began between the Ethiopian National Defense Forces and the Tigray People's Liberation Front and has resulted in protracted conflict in the northern Tigray Region. There have been subsequent reports of serious and widespread human rights abuses committed by all actors to the conflict, including Eritrean Defense Forces and Amhara special forces. These abuses include multiple reports of rape, sexual violence, extrajudicial killing, forced displacement, arbitrary detention, and refoulement of refugees, among others. As the conflict continued into 2022, limited access to much of Tigray has made it difficult to ascertain the extent of the human rights abuses. Ethiopia was downgraded to the Tier 2 Watch List in the U.S. State Department's 2021 Trafficking in Persons Report for decreased efforts to combat trafficking in persons. Concerns remain with regard to freedom of association and child labor. Ethiopia still has not established a minimum wage-setting mechanism, and the labor law does not cover the informal sector, including domestic workers and seasonal agricultural workers.

International Terrorism/U.S. National Security: Ethiopia does not support international acts of terrorism, nor engage in activities that undermine U.S. national security interests.

GABON

Current Status: AGOA Eligible.

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: Gabon's economy, which is highly dependent on oil, contracted due to COVID-19-related lockdowns and the drop in international oil prices. After petroleum, Gabon's economic activity is largely based on the extraction of other raw materials, mainly timber and manganese. Gabon promotes foreign investment across a range of sectors, particularly in oil and gas, infrastructure, timber, ecotourism, and mining. Gabon's commercial ties with France remain very strong, but the Government of Gabon continues to seek to diversify its sources of investment by courting investors from the rest of the world to drive economic growth across a range of sectors, including oil and gas, infrastructure, timber, ecotourism, and mining sectors. Despite these efforts, Gabon's economy remains dependent on revenue

generated by the exportation of hydrocarbons. There are no limits on foreign ownership or control, except for discrete activities customarily reserved for the state.

Rule of Law/Political Pluralism/Anticorruption: The constitution provides for the right to a fair and public trial and to legal counsel, and these rights are generally respected by the judiciary. Gabon's laws provide for an independent judiciary; however, the judiciary has been inefficient and remains susceptible to government influence. In addition, search warrants are easily obtained from judges, sometimes after the fact, and trial dates are often delayed. According to Freedom House's Freedom in the World 2021 report, Gabon's freedom score did not improve from the previous year and continues to warrant a designation of "Not Free." Gabon's electoral laws and framework do not ensure credible elections, and the president does not face meaningful political opposition. Corruption remains a problem during the review period. Gabon has established a legal framework to fight corruption and cases are being prosecuted, yet enforcement remains limited and official impunity is a problem. In the 2021 Transparency International Corruption Perception Index, Gabon places 124 out of 180 countries.

Poverty Reduction: President Ali Bongo Ondimba remains committed to reducing poverty and has implemented political and economic reforms aimed at becoming a developed economy by 2025. Gabon has one of sub-Saharan Africa's highest per capita incomes, but income distribution is skewed, and its ranking on human development indicators is well below its comparable GDP ranking. Gabon has done little to expand economic possibilities and the COVID-19 pandemic has increased unemployment in the country.

Labor/Child Labor/Human Rights: The Government of Gabon has made efforts to address child labor and trafficking in persons. During the reporting period, courts convicted more traffickers and officials identified more child victims of trafficking, but authorities investigated and prosecuted fewer suspected trafficking crimes. In addition, labor law enforcement is impeded by an absence of worksite inspections. Concerns remain with regard to freedom of association, the right to organize and bargain collectively, and the existence of the worst forms of child labor. Other concerns include restrictions on free expression and media, interference with the freedom of peaceful assembly, and lack of accountability for gender-based violence.

International Terrorism/U.S. National Security: Gabon does not support international acts of terrorism, nor engage in activities that undermine U.S. national security interests.

THE GAMBIA

Status: AGOA Eligible. (Reinstated in 2018)

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: The Gambia's recent peaceful political transition has strengthened confidence in the economy, boosting private sector activity and foreign exchange inflows. The country maintains no specific quotas on any imports and has not adopted any trade restrictive measures on imports. However, there is limited foreign direct investment in the country. The Gambia's small market makes it less appealing for businesses identifying growth opportunities. Taxes are high and are considered a disincentive to foreign investment. The Gambia's groundnut and agricultural processing sectors are also inefficient and remain in need of reform.

Rule of Law/Political Pluralism/Anticorruption: The Government of The Gambia has demonstrated a commitment to respecting the rights of expression, press, assembly, and due process. The Gambia's commitment to respect for international law has been strengthened and the political arena is diverse and open, with at least 20 political parties competing for public service in a free exchange of ideas. Despite these improvements, corruption is still on the rise. Public officials' wages are so low and noncompetitive that bribery is becoming an increasingly expected part of routine interactions with the government. The Gambia ranked 102 out of 180 countries in Transparency International's 2021 Corruption Perceptions Index.

Poverty Reduction: The country's national development plan sets forth a coherent vision of projects and initiatives to improve quality of life. School enrollment increased over 74.8 percent in 2021 as the government provides free education through public schools. The government's restoration of many fundamental human rights has also permitted the return of international aid, thus providing a development roadmap for the country. Although overall inflation rates remain low, basic food commodities are subject to substantial monthly price swings. Currently, a significant portion of the population relies on remittance payments from relatives and friends abroad.

Labor/Child Labor/Human Rights: The Government of The Gambia has made efforts to address child labor and trafficking in persons. The government developed a National Referral Mechanism for victims of human trafficking and trained government officials and service providers on its implementation. The government convicted three individuals under its new Trafficking in Persons legislation in 2021. The government recently reinstated labor inspections, which were suspended in March 2020 due to the COVID-19 pandemic. Concerns remain regarding freedom of association and the existence of the worst forms of child labor. Other concerns include lack of accountability for gender-based violence.

International Terrorism/U.S. National Security: The Gambia does not support international acts of terrorism, nor engage in activities that undermine U.S. national security interests.

GHANA

Status: AGOA Eligible.

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: Ghana continues to build on its market-based economy and has relatively few policy barriers to trade and investment. The Government of Ghana has expressed an interest in strengthening U.S.-Ghana trade and investment relations and has taken steps to streamline business regulations and increase investment. Nonetheless, Ghana's business and investment climate remains challenging due to corruption, a weakening of contract sanctity, and chronic politicization of business deals. U.S. firms have expressed concerns regarding the lack of transparency in government procurement, including undefined timeframes for rendering decisions.

Rule of Law/Political Pluralism/Anticorruption: Ghana's institutions are relatively strong and the government has worked to reduce the backlog in its courts by establishing a commercial court. The Government of Ghana has also explored increasing the use of plea-bargaining and hiring additional

state prosecutors to reduce the backlog and prolonged pre-trial detention. Unfortunately, corruption permeates society and public anti-corruption institutions remain weak. Corruption ranges from high-level fraud in public contracts to police soliciting bribes at roadblocks and bureaucrats' solicitation of "tips" or "expediting fees" for routine administrative work. Ghana's ranking on Transparency International's 2021 Corruption Perceptions Index was 73 out of 180 countries.

Poverty Reduction: Ghana is promoting broad-based economic growth through a development agenda centered on industrialization to create jobs, sustain growth, and reduce poverty. Ghana prioritized investments in 2019 and 2020 in core infrastructure and implemented a number of programs that aim to enhance access to jobs. In response to the COVID-19 pandemic, in April and May 2020, the Government of Ghana rolled out a food distribution program and reduced bills owed to the state-owned electricity and water companies for Ghanaians.

Labor/Child Labor/Human Rights: The Government of Ghana has made efforts to address child labor and trafficking in persons. The government opened a new shelter for child trafficking victims, significantly increased investigations and convictions of child labor crimes, and launched a training course for labor inspectors. Concerns remain with regard to freedom of association, restrictions on free expression and media, interference with the freedom of peaceful assembly, and lack of accountability for gender-based violence.

International Terrorism/U.S. National Security: Ghana does not support international acts of terrorism, nor engage in activities that undermine U.S. national security interests.

GUINEA

Status: Not AGOA Eligible (Terminated in 2022).

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: Former President Alpha Condé's government established a legal framework to protect property rights and initiated numerous reforms to update and make more transparent government codes related to mines, administration, investment, and customs. Although promoting U.S. investment is a top priority for Guinea, an enduring legacy of corruption, inefficiency, and lack of transparency undermines Guinea's economic progress.

Political Reform/Rule of Law/Anticorruption: The September 5, 2021 military coup d'état further demonstrated that Guinea has not established, nor is making continual progress towards establishing, the rule of law and political pluralism. During the 2020 electoral period, international and domestic observers raised concerns about widespread electoral violence, freedom of assembly restrictions, lack of vote tabulation transparency, and vote tally discrepancies. The Condé Administration detained opposition members and journalists after the contentious October 2020 presidential elections on seemingly politically motivated charges. The current transition president Colonel Mamady Doumbouya and the ruling military junta detained former Condé Administration ministers. These detentions seem politically motivated as the junta has circumvented judicial procedures and failed to disclose evidence for alleged corruption. Corruption continues to be a significant issue despite the Government of Guinea passing and implementing an anti-corruption law to address corruption in the mining sector, the main source of export revenue.

Poverty Reduction: The Government of Guinea seeks to reduce poverty through its National Agency for Community Financing, which collects internal and external revenues for local communities and promotes local decision-making in Guinea. The National Agency for Social Inclusion seeks to reduce poverty by redistributing 2.8 percent of GDP to vulnerable people. With the assistance of USAID, other U.S. government agencies, and international partners, Guinea continues to make strides in public health and poverty reduction. The government demonstrated a commitment to poverty reduction in recent years, notably distributing \$22 million to municipal governments through its local development fund in 2020, and another \$20 million to communities near mining projects. That said, Guinea’s workforce remains largely uneducated, and the government has done relatively little to promote skills development.

Labor/Child Labor/Human Rights: The Government of Guinea has made efforts to address child labor and trafficking in persons. The government enacted a revised Child Code, which provides higher penalties for child labor violations and enumerates a more comprehensive hazardous work list. Concerns remain with regard to freedom of association, the existence of the worst forms of child labor, restrictions on free expression and media, interference with the freedom of peaceful assembly, and lack of accountability for gender-based violence.

International Terrorism/U.S. National Security: Guinea does not support international acts of terrorism nor engage in activities that undermine U.S. national security interests.

GUINEA-BISSAU

Status: AGOA Eligible.

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: Guinea-Bissau is one of the world’s most impoverished economies, with limited capital resources to develop infrastructure and improve government services. The country depends on subsistence agriculture, cashew exports, and foreign assistance. Political instability and the COVID-19 pandemic have delayed the progress of mining projects that the government believes could greatly increase Guinea-Bissau’s economic growth. Despite these challenges, Guinea-Bissau remains officially open to foreign private investment and generally maintains market-based economic policies with few formal restrictions on private investment.

Rule of Law/Political Pluralism/Anticorruption: Guinea-Bissau has made progress with regard to rule of law and political pluralism but remains vulnerable to political instability and factional conflicts that often undermine governance. Strengthening rule of law in Guinea-Bissau is a long-term challenge as the judicial system remains susceptible to influence. Guinea-Bissau is a secular state respecting freedom of religion. Freedom of assembly and association are recognized, and usually respected, though security forces occasionally suppress public demonstrations. Opposition parties also operate openly, and freedom of expression is the rule rather than the exception, though there have occasionally been incidents in which government critics have been intimidated. In addition to Guinea-Bissau serving as a transit point for drug shipments from South America to Europe, corruption is also pervasive in the country. Guinea-Bissau ranked 162 out of 180 countries listed in Transparency International’s 2021 Corruption Perceptions Index.

Poverty Reduction: Guinea-Bissau has achieved some progress in several social indicators. School enrollment rates rose dramatically after the elimination of school fees, and the literacy rate for female youth increased as well. Guinea-Bissau achieved progress in reducing child mortality and maternal mortality but poverty remains a major challenge as two out of three Bissau-Guineans still live below the absolute poverty line.

Labor/Child Labor/Human Rights: The Government of Guinea-Bissau has made efforts to address child labor. The government has continued to identify and assist child forced begging victims. However, Guinea-Bissau was downgraded to Tier Three in the U.S. State Department's 2021 Trafficking in Persons Report after the government failed to increase efforts to combat trafficking in persons. Concerns remain that the law does not provide for the right to organize and bargain collectively, and with regard to the existence of the worst forms of child labor. Other concerns include restrictions on free expression and media, and lack of accountability for gender-based violence.

International Terrorism/U.S. National Security: Guinea-Bissau does not support international acts of terrorism, nor engage in activities that undermine U.S. national security interests.

KENYA

Status: AGOA Eligible.

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: Kenya's economy remains market-based, and the Government of Kenya maintains liberal trade and foreign exchange regimes. Kenya continues to improve its regulatory framework and attract foreign direct investment, yet the country maintains complex, non-transparent, and costly requirements for importation of all meat, dairy, and poultry products. Kenya continues to take significant steps to improve its business climate. In 2019, the World Economic Forum's Global Competitiveness Report ranked Kenya the sixth most competitive economy in sub-Saharan Africa, the most competitive in East Africa, and one of the strongest innovation hubs in the region. However, the COVID-19 pandemic has exposed weaknesses in the economy.

Rule of Law/Political Pluralism/Anticorruption: Kenya has an independent judicial system that guarantees the rights and freedoms of the population. The constitution and law protect political pluralism and provide citizens the ability to choose their government in free and fair periodic elections held by secret ballot and based on universal and equal suffrage. The Chief Justice and some civil society organizations have criticized the government for decreasing funding for the judiciary, arguing that this has impeded access to justice. The judiciary faces a significant backlog of cases due to staff shortages and budget cuts. However, in June 2021, President Uhuru Kenyatta filled 34 of 40 long vacant judiciary positions, which will help address the backlog and improve access to justice.

Poverty Reduction: Kenya's economic blueprint - Vision 2030 - aims to transform Kenya into an industrializing, middle-income country that provides a high standard of living to all its citizens by 2030 in a clean and secure environment. The Third Medium Term Plan (MTP) 2018-2022 provides an outline to implement Vision 2030 by instituting key legal and institutional requirements. According to the World Bank, Kenya's poverty rate has decreased from 46.8 percent in 2005 to 36.1

percent in 2018. Additionally, the Kenyatta Administration’s “Big Four Agenda” focuses on: enhancing food and nutrition security; providing affordable housing; enhancing manufacturing; and providing universal healthcare. However due to insufficient funding and implementation delays, the government may have difficulty meeting its Vision 2030 goals.

Labor/Child Labor/Human Rights: The Government of Kenya has made efforts to address child labor and trafficking in persons. The government continued to implement policies and programs for the elimination of child labor and forced labor. Law enforcement also increased the number of investigations and prosecutions of trafficking in persons crimes. However, the enforcement of labor laws, including with respect to occupational safety and health, continues to be a significant challenge across the country, and particularly in the informal economy. Other concerns include: restrictions on free expression and media; interference with the freedom of peaceful assembly and freedom of association, including harassment of nongovernmental organizations and activists; and lack of accountability for gender-based violence. The U.S. Government will continue to monitor whether a law criminalizing homosexuality is enforced in practice in the Kenyan judicial system

International Terrorism/U.S. National Security: Kenya does not support international acts of terrorism nor engage in activities that undermine U.S. national security interests.

LESOTHO

Current Status: AGOA Eligible.

Market Economy/Economic Reform/Elimination to Barriers to U.S. Trade: The Government of Lesotho made important strides in reinforcing its market-based economy during the reporting period. The country has a free-market economy with relatively open capital markets and an improving business climate. The country has over the years greatly leveraged its AGOA benefits to build one of the largest textiles and garment manufacturing industries in sub-Saharan Africa. Its textiles industry represents the country’s largest private sector employer. The country rarely intervenes in the market through subsidies or price controls, and Lesotho has privatized most state-owned enterprises, including telecommunications and most utilities. During the reporting period, the government operationalized a new e-license and e-registration system for investors seeking business licenses.

Rule of Law/Political Pluralism/Anticorruption: Since 2020, Lesotho’s new administration has not attempted to interfere in the courts and law enforcement to protect the interests of politically well-connected individuals. While the government has made some progress on rule of law reforms, progress has been slow-moving. In collaboration with the High Court, Lesotho’s Directorate on Corruption and Economic Offences is in the process of establishing a specialized Anti-Corruption Court to address a backlog of cases in the courts of law. Transparency International ranked Lesotho 96 out of 180 countries in its 2021 Corruption Perceptions Index.

Poverty Reduction: The Government of Lesotho’s anti-poverty strategy is articulated in its national development plan and tops the government’s policy agenda. Education is free and compulsory for children ages six to thirteen. The government also provides scholarships for orphaned and vulnerable children to attend secondary school. Lesotho has also made progress on addressing HIV-AIDS. In March 2022, the Millennium Challenge Corporation’s (MCC) Board of Directors voted to approve a

\$300 million compact that will seek to improve health outcomes, increase incomes in rural communities, and promote employment for women- and youth-owned enterprises.

Labor/Child Labor/Human Rights: The Government of Lesotho has made efforts to address child labor and trafficking in persons. In 2020, the government enacted a new anti-trafficking law that closed key legislative gaps, including criminalizing all forms of sex trafficking and prescribing penalties commensurate with the penalties for other serious crimes. The government also reported two investigations into officials allegedly complicit in human trafficking-related offenses. Lesotho was upgraded to the Tier 2 Watch List in the U.S. State Department’s 2021 Trafficking in Persons Report. Concerns remain on freedom of association and gender-based violence, in particular sexual harassment within the apparel industry. Other concerns include a lack of accountability for gender-based violence.

International Terrorism/U.S. National Security: Lesotho does not support international acts of terrorism, nor engage in activities that undermine U.S. national security interests.

LIBERIA

Status: AGOA Eligible.

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: Liberia has a market-based economy with a floating foreign exchange system based on market demand and supply forces. The Government of Liberia continues to implement tax policy reforms to improve the tax system, broaden the tax base, and increase tax compliance. It has also made several significant improvements in its payment technologies. In May 2020, the government renewed the executive order to remove the annual renewal requirement for work and residency permits for non-Liberian citizens. Aside from maintaining an AGOA Trade Resource Center, which provides guidance and advice to local companies on key trade issues, Liberia also implements the Small Business Empowerment Act to promote the interests of small enterprises. Liberia’s Investment Act of 2010, however, continues to restrict ownership of certain business activities exclusively to Liberian citizens.

Rule of Law/Political Pluralism/Anticorruption: Liberia has many active political parties and continues to strengthen the rule of law and uphold the right to due process. The government has successfully transitioned to managing its own security, including its civilian police, immigration and drug enforcement agencies, and military. However, businesses report that delays and backlogs of the judicial system continue to provide opportunities for corruption and lead to concerns that justice is unevenly administered. Liberia continues limited efforts to decrease and combat corruption and bribery in both the public and the private sectors. Corruption scandals involving allegations against public officials have diminished public trust in government. Liberia ranked 136 out of 180 countries in the 2021 Transparency International Corruption Perceptions Index.

Poverty Reduction: For several years, Liberia’s macroeconomic environment has been challenging, with both inadequate investment and government revenue generation. As a result, the Government of Liberia struggles to fund crucial development projects that could reduce poverty and prevent the current degradation of the country’s health and education systems.

Labor/Child Labor/Human Rights: The Government of Liberia has made efforts to address child labor. Despite the COVID-19 pandemic, the labor inspectorate conducted 1,200 inspections at worksites in 2020, including over 100 unannounced labor inspections, compared to an estimated 236 inspections in 2019. However, during the reporting period, the government did not increase its efforts to combat trafficking in persons and was downgraded to the Tier 2 Watch List on the U.S. State Department's 2021 Trafficking in Persons Report. Concerns remain with regard to freedom of association, restrictions on free expression and media, and lack of accountability for gender-based violence.

International Terrorism/U.S. National Security: Liberia does not support international acts of terrorism, nor engage in activities that undermine U.S. national security interests.

MADAGASCAR

Status: AGOA Eligible.

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: The Government of Madagascar has made investment into infrastructure, improving the investment climate, and growing exports the centerpiece of its growth strategy. Textile and apparel exports under AGOA is a bright spot in the economy, providing employment for close to 60,000 people. The COVID-19 pandemic had a profound impact on Madagascar's economy during the reporting period as it limited Madagascar's supply of inputs, disrupted the shipment of apparel orders, and eventually led to large-scale cancellations of orders from the United States and Europe. Bureaucratic delays, excessive and duplicative processes, lack of systematization of data collection and numerous other administrative factors, coupled with corruption, create impediments to direct American investment.

Rule of Law/Political Pluralism/Anticorruption: During the reporting period, Madagascar underwent an erosion of political pluralism and freedom of expression. The Government of Madagascar reduced the number of senators over the protests of the opposition, changed the composition of the High Constitutional Court, and took measures to limit opposition rallies and meetings out of concern they could become destabilizing events. The government also took numerous legal actions against businesses and news entities affiliated with members of the opposition. The detention of some political opponents, journalists, and social media activists who have raised questions about government policies has continued; some have been released after long periods of pretrial detention while others are still being detained. The Government of Madagascar has expressed a commitment to countering corruption and has made some progress in that area, although significant challenges remain. Corruption remains a serious problem. High-level corruption in judicial institutions remains persistent and is a serious obstacle to development.

Poverty Reduction: In mid-2021, a severe drought in the southern part of the country caused hundreds of thousands of people to suffer from food insecurity and/or famine. A key part of Madagascar's plan for economic development is to increase social spending to reduce endemic poverty and build a sustainable cycle of growth and development. Policies to rebuild a stronger and more resilient economy remain unevenly implemented amid persistent criticism of the slow pace and lack transparency.

Labor/Child Labor/Human Rights: The Government of Madagascar has made efforts to address child labor and trafficking in persons. During the reporting period, there was an increase in the number of investigations of trafficking cases. In addition, in response to international reporting, the government drafted a national action plan to combat child labor in the mica sector. Concerns remain with regard to freedom of association, restrictions on free expression and media, interference with the freedom of peaceful assembly, and lack of accountability for gender-based violence.

International Terrorism/U.S. National Security: Madagascar does not support international acts of terrorism, nor engage in activities that undermine U.S. national security interests.

MALAWI

Status: AGOA Eligible.

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: Malawi has a market-based economy with a growing private sector. The Government of Malawi continues to participate in the market through parastatal companies. Agriculture dominates Malawi's economy, and unprocessed agricultural production accounts for about one-fourth of GDP, and makes up 75 percent of export earnings. The government is prioritizing agricultural sector reform, economic diversification, and increased foreign trade. Malawi has a number of barriers to economic growth, including high transport costs, poor infrastructure and utilities, and limited access to technology and credit.

Rule of Law/Political Pluralism/Anticorruption: In Malawi, political pluralism, rule of law, equal protection, and due process are generally well respected. Malawi has a largely independent judiciary and a vibrant free press with significant independent participation. According to the Freedom of the World 2021 report, Malawi marginally improved its already stellar performance with regard to political rights and civil liberties by holding "well-administered, competitive, and credible" presidential elections in June 2020, and by fully funding the country's anti-corruption bureau and carrying out a series of arrests and successful prosecutions in high-profile corruption cases during the reporting period. However, the judiciary is hindered in its effectiveness due to a lack in resources and financing. During the review period, prison conditions remained harsh, and overcrowding is chronic. According to Transparency International's 2021 Corruptions Index, Malawi ranked 110 out of 180 countries.

Poverty Reduction: The Government of Malawi has implemented or facilitated several poverty reduction programs throughout the review period including social cash transfers, public works programs, and several graduation pathway interventions. There are also credit programs targeting women, the youth, and the vulnerable. However, poverty remains rampant in Malawi despite government efforts to reduce poverty and bolster food security. HIV/AIDS, malaria, and tuberculosis remain major threats. The COVID-19 pandemic has exposed vulnerabilities of the health system.

Labor/Child Labor/Human Rights: The Government of Malawi has made efforts to address child labor and trafficking in persons. In 2021, President Lazarus Chakwera publicly stated that combating forced labor and abolishing the agricultural tenancy system are a priority for his administration, and the government debated an amendment to the Employment Act that would prohibit tenancy farming.

The government increased trafficking investigations and prosecutions and identified more trafficking victims. However, credible reports of official complicity continued to impede the government's efforts to carry out anti-trafficking law enforcement efforts and proactively identify trafficking victims. Concerns remain with regard to the right to organize and bargain collectively. Other concerns include lack of accountability for gender-based violence.

International Terrorism/U.S. National Security: Malawi does not support international acts of terrorism, nor engage in activities that undermine U.S. national security interests.

MALI

Status: Not AGOA Eligible. (Terminated in 2022)

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: Although Mali's formal economy is open and market-based, its business climate remains challenging. The transition government's efforts to reform the economy, including through improved public financial management practices and increased tax revenues, must contend with endemic corruption and an enormous informal sector. Mali's land-locked location contributes to high transportation costs for imported goods and dependence on neighboring countries. This situation has been exacerbated since January 9, when the Economic Community of West African States (ECOWAS) and the West African Economic and Monetary Union imposed a broad regime of economic and financial sanctions on Mali in response to the transition government's failure to organize elections on a previously agreed upon timetable.

Rule of Law/Political Pluralism/Anticorruption: Mali's political landscape has been unstable for several years, punctuated by a coup d'état in August 2020 and a further consolidation of military power in May 2021. While the transition government's charter set forth an 18-month transition period leading to elections in February 2022, the transition government announced on January 1, 2022 that it would propose a five-year transition extension to ECOWAS, leading to the imposition of sanctions. The 2020 protests that precipitated the coup focused largely on corruption, and since then there have been modest improvements, including more active auditing institutions and an uptick in criminal inquiries based on auditors' findings. That said, corruption continues to plague the country and Malians partly blame corruption for their low standard of living. Transparency International's 2021 Corruption Perceptions Index ranked Mali 136 of 180 countries.

Poverty Reduction: Mali continues to implement the 2019-2023 Strategic Framework for Economic Recovery and Sustainable Development, which prioritizes inclusive economic growth, peace and security, poverty and inequality reduction. This framework also allows access to social services, improved governance, structural reforms, investing in human capital, and capitalizing on Mali's "demographic dividend."

Labor/Child Labor/Human Rights: Mali's AGOA eligibility was terminated in 2022 due in part to persistent gross violations of internationally recognized human rights and the lack of continual progress toward establishing the protection of internationally recognized worker rights. Although Malian law prohibits forced or compulsory labor, it does not precisely define or criminalize hereditary slavery. Some members of Mali's Black Tuareg community are subject to hereditary

slavery in northern and southwestern Mali. Although the government did prosecute and convict slaveholders, prosecutors charged most hereditary slavery cases as misdemeanor offenses, which prescribed significantly lower penalties than those for trafficking crimes. Mali was again included on the State Department's Child Soldiers Prevention Act List for continuing to provide support to and collaborating with a non-governmental armed group that recruited and used children. Concerns remain with regard to freedom of association, the right to organize and bargain collectively, the existence of the worst forms of child labor, restrictions on free expression and media, and lack of accountability for gender-based violence.

International Terrorism/U.S. National Security: Terrorist activities increased throughout the country and continued to target civilians, Malian armed forces, international peacekeepers, and international military forces. Mali's reliance on the United Nations Multidimensional Integrated Stabilization Mission in Mali (MINUSMA) to help marginally stabilize and secure the northern central regions diminished in 2021 and longstanding counterterrorism partnerships with in-country foreign forces experienced increased disruptions with the withdrawal of France's Operation Barkhane and the multinational Takuba Task Force.

MAURITANIA

Status: Not AGOA Eligible. (Terminated 2019)

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: Mauritania has a large informal economy. The Government of the Islamic Republic for Mauritania created the Investment Promotion Agency on March 3, 2021, which aims to identify and address bureaucratic deficiencies that currently dissuade investors. The government also continues to amend its laws and regulations to facilitate business registration. While investment in the mining sector has tapered off over the last two years, large-scale, private foreign investment has been growing in the petroleum, fishing, infrastructure, and telecommunications sectors. Moreover, Mauritania has productively engaged with international financial institutions to improve economic governance. Mauritania recently completed an International Monetary Fund program which assisted authorities in supporting growth, improving fiscal balances, stabilizing debt, increasing foreign exchange reserves, and implementing institutional reforms in the fiscal, monetary, and financial sector policy areas.

Rule of Law/Political Pluralism/Anticorruption: Mauritania enjoyed its first peaceful transfer of power from one democratically elected president to another since independence with its presidential election in 2019. There have been a number of positive reforms including a new NGO law passed in early 2021 that allows previously excluded NGOs, including those working on sensitive issues like slavery and racial justice, to begin officially operating. The government continued to work towards implementing reforms in its judicial sector, including new standards and training for court personnel, prison reform, improvements in court infrastructure and the digitization of records. In 2020, Mauritania's legal framework was updated to both better prosecute trafficking in persons and smuggling offenses and provide increased services and protection to victims. On January 30, 2020, the Mauritanian National Assembly established a Parliamentary Commission of Inquiry to verify and investigate the conditions of several major contracts that were signed under former president Ould Abdel Aziz. The National Assembly then created a committee composed of parliamentarians from both the opposition and ruling parties and civil society groups that identified and recovered over

\$770,000 in mismanaged funds. Transparency International ranks Mauritania at 140 out of 180 countries in its 2021 Corruptions Index.

Poverty Reduction: The COVID-19 pandemic significantly dampened Mauritania’s economic growth. To respond to the COVID-19 pandemic, the Government of Islamic Republic for Mauritania passed a comprehensive economic recovery/assistance program estimated at nearly \$6.5 billion. This program focuses on the development of the nation’s physical infrastructure, building capacity in marginalized communities, and countering desertification and drought while creating “green” jobs.

Labor/Child Labor/Human Rights: Mauritania’s AGOA eligibility was terminated in 2019 due to insufficient progress toward combatting forced labor. Mauritanian President Mohamed Ould Ghazouani has discussed the urgent need to acknowledge hereditary slavery. The government has taken some steps to address the issue, including doubling the budget for Anti-Slavery Courts, limiting the rotation of Anti-Slavery Court judges, allowing peaceful public discourse and assembly on slavery, and enacting a new law protecting NGOs, including anti-slavery NGOs, from government interference and permitting these organizations to legally operate more freely following a simplified registration process. The Mauritanian government recently invited and hosted the UN Special Rapporteur on Contemporary Slavery, signaling the current government’s efforts to combat slavery and human trafficking. Hereditary slavery and forced labor continue to be significant problems as the government continues to face challenges in identifying potential victims and investigating and prosecuting those responsible. Concerns regarding the existence of the worst forms of child labor persist, but in 2022, Mauritania codified 44 hazardous occupations as unsuitable for youth employment. Concerns also remain with regard to freedom of association, restrictions on free expression and media, and lack of accountability for gender-based violence.

International Terrorism/U.S. National Security: Mauritania does not support international acts of terrorism nor engage in activities that undermine U.S. national security interests. Mauritania is a member of the Coalition to Defeat ISIS and is an important partner on Countering Violent Extremism initiatives.

MAURITIUS

Current Status: AGOA Eligible.

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: Mauritius is among the freest and most business-friendly countries in Africa. The Government of Mauritius has committed to further improving the business climate to facilitate trade and attract investment. Mauritius is party to a number of preferential programs and free trade agreements. Mauritian law protects private property rights and the country’s courts also generally respect property rights. The Government of Mauritius controls key utilities (water, power, and wastewater) and television broadcasting, directly or through parastatals. High unemployment, the impact of COVID-19, and heavy reliance on the tourism industry are concerns for the economy.

Rule of Law/Political Pluralism/Anticorruption: Mauritius has enjoyed political stability since independence in 1968 with political power peacefully shifting among different parties based on regular, fair elections held approximately every five years. The judicial system functions reasonably well. The judiciary retains a reasonable degree of power and independence. Mauritius has a

commercial court to expedite the resolution of commercial disputes. Although Mauritius has an arsenal of laws and regulations to combat financial crime, a lack of qualified personnel or oversight cause difficulties in detecting suspicious transactions. In its 2021 Corruption Perceptions Index, Transparency International ranked Mauritius 49 out of 180 countries. In particular, graft and nepotism remain concerns and are increasingly a source of public frustration. The absence of a law regulating the financing of political parties fuels corruption.

Poverty Reduction: Mauritius provides a wide range of social protection schemes, including free education, health services, and public transport for the disabled, senior citizens, and students. The government expanded the construction of low-income housing units throughout the country during the review period. It has also fostered a more inclusive education system. Mauritius faced a number of crises that affect economic growth and poverty reduction, including the COVID-19 pandemic and a large oil spill just off its coast that affected marine life, fisherman, and the tourism industry in the island nation.

Labor/Child Labor/Human Rights: The Government of Mauritius has made efforts to address child labor and trafficking in persons. The government identified more trafficking victims, provided protective services to all identified child victims, and conducted nationwide campaigns to raise awareness of trafficking. In January 2021, the government raised the national minimum wage for all workers, including migrant workers. Concerns remain with regard to freedom of association. Other concerns include restrictions on free expression and media and lack of accountability for gender-based violence.

International Terrorism/U.S. National Security: Mauritius does not support international acts of terrorism, nor engage in activities that undermine U.S. national security interests.

MOZAMBIQUE

Status: AGOA Eligible.

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: A recently-approved International Monetary Fund program in Mozambique will support the country's reform agenda and foster a stronger business environment. The Government of Mozambique continues to pursue reforms in its electricity sector. The country also passed new regulations that strengthen the government's capacity to manage its maritime resources, conduct oversight of the fisheries industry, and protect vulnerable species. U.S. companies routinely face difficulties doing business in Mozambique and often rely on outside intervention to navigate routine business procedures. In 2021, USAID launched the Supporting the Policy-Enabling Environment for Development (SPEED) activity, a five-year, project designed to improve ease of doing business in Mozambique and enhance the role of the private sector in agriculture, trade facilitation, energy, biodiversity conservation, and health.

Rule of Law/Political Pluralism/Anticorruption: Mozambique made minimal progress towards establishing political pluralism during the reporting period. In December 2020, the Government of Mozambique updated the penal code and penal procedure code. Among other changes, these updates criminalized cybercrime for the first time and allowed for longer periods of preventive detention for

suspects charged with terrorism and other serious crimes. The government has significantly restricted press access to and reporting on the ISIS-Mozambique insurgency in the Cabo Delgado region. After some delays, the trial of 19 individuals accused of various crimes related to the 2016 hidden debt scandal began in August 2021 and remains on-going.

Poverty Reduction: In December 2020, the Millennium Challenge Corporation re-selected Mozambique as eligible to develop a second compact. Mozambique has made progress by working constructively towards developing a compact that will strengthen the agricultural sector and rural transport networks over a five-year period starting in 2023. The Government of Mozambique continued to implement the World Bank-funded Sustenta rural agriculture development project, designed to improve the quality of life of rural households through the promotion of sustainable agriculture.

Labor/Child Labor/Human Rights: The Government of Mozambique has made efforts to address child labor and trafficking in persons. The government passed a new 2020–2024 Five Year Plan, which emphasizes eliminating child labor and published the number of labor inspectors for the first time since 2017. In addition, during the reporting period the government prosecuted all confirmed cases of human trafficking and trained front line officials on trafficking. Concerns remain with regard to freedom of association. Other concerns include restrictions on free expression and media and lack of accountability for gender-based violence.

International Terrorism/U.S. National Security: Mozambique does not support international acts of terrorism, nor engage in activities that undermine U.S. national security interests.

NAMIBIA

Status: AGOA Eligible.

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: Namibia's economy is modern and market-based, incorporating a rules-based trading system. With the recently completed expansion of Namibia's main port of Walvis Bay, Namibia is seeking to position itself as a regional logistics hub. The country has embraced renewable energy as a major source to fill the energy gap. Namibia has a solid telecommunications infrastructure, a modern port, and some of the best roads in Africa. Throughout the review period, Namibia welcomed foreign investment and provided stable, democratic governance and infrastructure on which to facilitate business. The government prioritizes attracting more foreign investment to stimulate economic growth, combat unemployment, and diversify the economy.

Rule of Law/Political Pluralism/Anticorruption: Namibia's Constitution provides for due process that includes the right to a fair and public trial. Experts assess that the judicial process in Namibia is independent and relatively free of political influence. However, the slow pace of justice continues to be an issue. Some legislation is in place to combat public corruption and more is currently under consideration by the Parliament. Transparency International's 2021 Corruption Perceptions Index ranks Namibia 58 out of 180 countries.

Poverty Reduction: Namibia's greatest challenge has been to address the large-scale challenges of HIV/AIDS, unemployment, and income inequality. Namibia is on track to meet UN goals for HIV epidemic control. Income inequality in Namibia remains among the worst in the world. The Namibian economy faces high and rising unemployment, persistently low economic growth, and lingering effects from a devastating drought in 2019. There is also a shortage of specialized skilled labor in Namibia. Employers often cite labor productivity and the shortage of skilled labor as the biggest obstacles to business growth.

Labor/Child Labor/Human Rights: The Government of Namibia has made efforts to address child labor and trafficking in persons. Namibia remained on Tier 1 in the U.S. State Department's 2021 Trafficking in Persons Report because it meets the minimum standards for the elimination of trafficking and continues to demonstrate serious and sustained efforts toward its elimination. Concerns remain with regard to freedom of association.

International Terrorism/U.S. National Security: Namibia does not support international acts of terrorism, nor engage in activities that undermine U.S. national security interests.

NIGER

Status: AGOA Eligible.

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: Niger has significant mineral resources, including uranium, oil, and gold and is committed to establishing a market-based economy and has repeatedly pledged to take progressive steps to encourage the development of private sector enterprises and increase trade. The government has initiated an upgrade of its foreign investment information and application system to simplify processes and streamline communications with foreign investors. However, the cost of basic consumer goods is a major concern as the underdeveloped agriculture sector remains vulnerable to climatic shocks.

Rule of Law/Political Pluralism/Anticorruption: Niger's national and local election cycle, was deemed to be free, fair, transparent, and inclusive, as demonstrated in the 2020-2021 national and local election cycle. In 2020, the Nigerien people continued to show a commitment to democracy and to peaceful resolution of political conflicts. Political stability has been maintained despite regional insecurity and a changing landscape of political coalitions. Press freedom is generally respected and there is a vibrant civil society. Additionally, high-level government officials are required to submit asset declarations, which are published in the state-owned newspaper. However, corruption is widespread and sometimes is a way of supplementing low incomes within Niger's civil service and security forces. According to Transparency International's 2021 Corruption Perception's Index, Niger ranked 124 out of 180 countries.

Poverty Reduction: Niger ranked last, or 189 out of 189 countries, in the UN's 2020 Human Development Index. Many Nigeriens live in absolute poverty and many, especially children, are malnourished. Access to primary education (especially among girls), vaccination rates, and life expectancy continue to improve, but remain among the lowest in the world. Niger has the highest population growth rate in the world, which limits the ability of the government to make progress on economic development. Lack of potable water and electricity are also major concerns.

Labor/Child Labor/Human Rights: The Government of Niger has made efforts to address trafficking in persons and child labor. The government launched the country's national referral mechanism in partnership with an international organization during the reporting period and hired additional labor inspectors. Concerns remain with regard to freedom of association, the existence of the worst forms of child labor, and forced labor, including hereditary slavery. Traditional caste-based servitude or bonded labor is still practiced in some parts of the country. Other concerns include restrictions on free expression and media and lack of accountability for gender-based violence.

International Terrorism/U.S. National Security: Niger does not support international acts of terrorism nor engage in activities that undermine U.S. national security interests. Niger hosts the second largest contingent of U.S. military forces in Africa and is a critical U.S. partner in combatting the Islamic State and other violent extremist groups.

NIGERIA

Status: AGOA Eligible.

Market Economy/Economic Reform/Elimination to Barriers to U.S. Trade: Nigeria is home to the largest economy and population in Africa. It maintains a broadly market-based economy and generally protects private property rights. However, major concerns remain as Nigeria continues to use import bans, high tariffs, and foreign exchange restrictions (especially on several agricultural products, including beef, poultry, and pork) to protect certain sectors of the economy, despite these efforts being widely viewed as ineffective and contributing to food insecurity, corruption and smuggling. Other significant impediments to a free market include the need for stronger intellectual property and copyright enforcement, vague and broad local content requirements, particularly in the oil and gas sector, and stalled power privatization.

Rule of Law/Political Pluralism/Anticorruption: Nigeria's constitution and law prohibit torture and other cruel, inhumane, or degrading treatment and provides citizens the ability to choose their government in free and fair periodic elections held by secret ballot and based on universal and equal suffrage. Nigeria's 2015 Administration of Criminal Justice Act reformed the administration of criminal justice by, among other things, setting time limits for investigations, arraignments, and prosecutions and requiring new safeguards when police interview suspects. Lengthy pre-trial detentions, however, continue to be an impediment to due process in the criminal system. President Muhammadu Buhari also signed the 2020 Police Reform Bill in September 2020. The new law supports professionalization of the Nigerian Police Force and establishes community policing. While systems exist to combat money laundering and associated offences, financing of terrorism, and other financial crimes, Nigeria continues to struggle with combatting corruption and bribery. According to Transparency International, Nigeria ranked 154 out of 180 countries in its 2021 Corruption Perceptions Index.

Poverty Reduction: Nigeria prioritizes poverty reduction efforts through its National Development Plan (2021-2025). Nigeria's poverty levels, however remained high, particularly in the north. In response to the COVID-19 pandemic, the federal government made positive efforts and approved the Nigeria Economic Sustainability Plan in June 2020, which emphasized local content and self-

reliance, economic stimulation, job preservation, and a focus on supporting poor populations and vulnerable groups.

Labor/Child Labor/Human Rights: The Government of Nigeria has made efforts to address child labor and trafficking in persons. Nigeria was upgraded to Tier 2 in the U.S. State Department’s 2021 Trafficking in Persons Report for increased efforts to combat trafficking in persons, including convicting more traffickers and sentencing perpetrators to significant prison terms, prosecuting officials suspected of being complicit in trafficking crimes, and improving intra-governmental coordination on anti-trafficking operations. However, Nigeria remains on the Child Soldiers Prevention Act List largely due to actions of Nigerian security forces. Concerns remain with regard to child labor, freedom of association, the right to organize and bargain collectively, restrictions on free expression and media, interference with the freedom of peaceful assembly, and lack of accountability for gender-based violence.

International Terrorism/U.S. National Security: Nigeria does not support international acts of terrorism nor engage in activities that undermine U.S. national security interests.

REPUBLIC OF CONGO

Current Status: AGOA Eligible.

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: The Republic of Congo (ROC) has a market-based economy with neither notable progress nor major decline in this area over the past two years. The ROC’s three-year Extended Credit Facility program with the International Monetary Fund was cancelled on April 10, 2021 because the Government of the Republic of Congo did not successfully renegotiate its debt to oil traders. A small group of U.S. companies in the economic hub of Pointe-Noire formally registered themselves as an American Chamber of Commerce in June 2019. Board members drafted and approved bylaws in 2020 after a relatively easy registration process. Still, several U.S. companies continue to face legal proceedings and have seen large and arbitrary sums seized or frozen even while the cases were under appeal. No known legal barriers exist to U.S. trade and investment—this remains unchanged from last year’s report. This lack of transparency creates ongoing difficulties for foreign investors and makes the process for entry into Congolese commercial markets cumbersome and unpredictable.

Rule of Law/Political Pluralism/Anticorruption: The ROC experienced challenges with rule of law, political pluralism, and due process during the review period. Opposition parties hold few seats in the national assembly and in the government. There were eight candidates for the presidency in March 2021 with President Denis Sassou Nguesso winning another five-year term. Although the 2021 elections were peaceful, the elections were neither free, fair, nor transparent. The internet was shut down on the day of the elections and undue restrictions were placed on election observers. Several companies were subjected to arbitrary fines and had assets seized while their cases were under appeal. ROC law provides for criminal penalties for corruption by officials; however, the government does not implement the law effectively. Many officials engage in corrupt practices with impunity, despite the President’s repeated calls for an end to corruption. In Transparency International’s 2021 Corruption Perceptions Index, the ROC ranked 162 out of 180 countries.

Poverty Reduction: Fiscal restraints inhibited the Government of the Republic of Congo's spending on economic policies to reduce poverty during the reporting period. There was reduced funding to health programs as part of fiscal austerity measures, and the government continues to rely heavily on the assistance of international partners. The government created a COVID-19 fund to assist various health-related increased expenses the country faced due to the pandemic.

Labor/Child Labor/Human Rights: The Government of the Republic of Congo has made efforts to address child labor and human trafficking. For the first time since 2017, the government convicted traffickers for exploiting victims in forced labor. Concerns remain with regard to freedom of association. Other concerns include restrictions on free expression and media; interference with the freedom of peaceful assembly; and lack of accountability for gender-based violence.

International Terrorism/U.S. National Security: The ROC does not support international acts of terrorism, nor engage in activities that undermine U.S. national security interests.

RWANDA

Status: AGOA Eligible, but eligible apparel benefits suspended since 2018.

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: Rwanda has a market-based economy and market forces determine most prices. Rwanda has neither statutory limits on foreign ownership or control nor any official economic or industrial strategy that discriminates against foreign investors in selling products and services. During the reporting period the Government of Rwanda took significant policy reforms intended to improve Rwanda's competitiveness in selected strategic growth sectors, increase foreign direct investment, and attract foreign companies to operate in the newly created Kigali International Financial Centre. The Government of Rwanda increased tariffs for used clothing imports from any country, including the United States, by 1000 percent, and as a result, in 2018 the President announced a partial suspension of AGOA benefits for Rwandan apparel.

Rule of Law/Political Pluralism/Anticorruption: Rwanda has made great progress promoting justice, reconciliation, and rehabilitation at the community and national levels. The constitution and law provide for an independent judiciary, and the judiciary generally functions independently. However, there are frequent allegations that the government harasses and intimidates members of the political opposition. The government has restricted freedoms of speech, press, assembly, and association. Freedom House reported that fear of arrest continued to be a deterrent for Rwandans to participate in protests and opposition members reportedly feared harassment by government agents. Despite these concerns, Rwanda has implemented a strong anti-corruption regime. Transparency International ranked in 52 out of 180 in its 2021 Corruption Perceptions Index.

Poverty Reduction: The Government of Rwanda has set aggressive goals to reduce poverty. Slightly over 40 percent of Rwanda's budget is dedicated to development and poverty reduction, focusing on health, nutrition, agriculture, education, and human capital development. The GOR also has an ambitious target to achieve 100 percent access to electricity by 2024; currently, only half of the population has access to reliable electricity. Despite the remarkable strides that Rwanda has made in reducing poverty over the past decade, Rwanda remains a poor and heavily donor-dependent

country. Obstacles to economic growth and poverty alleviation include poor agricultural productivity, inadequate electricity distribution and a workforce with limited skills.

Labor/Child Labor/Human Rights: The Government of Rwanda has made efforts to address child labor and human trafficking. During the reporting period, funding for the labor inspectorate and the number of labor inspections conducted significantly increased. The government also identified an increased number of human trafficking victims and referred them for care, but it investigated fewer trafficking cases and prosecuted and convicted fewer traffickers than the previous year. Concerns remain with regard to freedom of association and the right to organize and bargain collectively. Rwanda has not established a minimum wage. Other concerns include restrictions on free expression and media and interference with the freedom of peaceful assembly, including overly restrictive laws on the organization, funding, or operation of nongovernmental and civil society organizations.

International Terrorism/U.S. National Security: Rwanda does not support international acts of terrorism nor engage in activities that undermine U.S. national security interests.

SÃO TOMÉ AND PRÍNCIPE

Status: AGOA Eligible.

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: São Tomé and Príncipe (STP) is a lower middle-income island state with a fragile economy. Investors face difficulties in identifying viable investment opportunities in STP due to its weak domestic economy, inadequate infrastructure, small market, high cost of transport, and physical isolation. Due to its location in the oil-rich Gulf of Guinea, STP is thought to have potentially large offshore oil and gas deposits, although no major deposits have been fully explored. Both domestic and foreign investors are free to establish and own business enterprises, as well as engage in all forms of business activity in STP. Additionally, during the review period the country was gradually moving toward open competition in all sectors of the economy.

Rule of Law/Political Pluralism/Anticorruption: São Tomé and Príncipe's justice system can be slow, weak, partial, and sometimes tends to be corrupt, especially since 2018. STP has had a history of free and fair elections since a multi-party system was introduced in the early 1990s. The political environment remains relatively stable. STP has no ethnic tensions, and political violence is rare; however, the country had suffered from frequent turnover in governments, which has inhibited development. Although journalists may lack professional training, there is press freedom. The country has had an overall positive trajectory in combatting corruption due to reforms the government has undertaken in recent years, and now ranks 66 out of 180 countries on Transparency International's 2021 Corruption Perceptions Index.

Poverty Reduction: About one-third of the population of STP lives on less than \$2 per day, and more than two-thirds of the population earns less than \$3.20 per day with poverty more prevalent in urban areas and southern districts. Since 2019, the island nation has struggled to move towards sustainable development, and has few exploitable natural resources, a small and weak domestic market, poor infrastructure, and no obvious sector primed for significant growth in the short term. During the current review period, the World Bank notes that STP has registered significant improvements in human development and that the country has made great strides in education and

health outcomes, with recent achievements including a sharp decline in maternal and child mortality rates, progress in the fight against malaria, a low incidence of HIV/AIDS, and a primary education completion rate near 97 percent.

Labor/Child Labor/Human Rights: The STP government has made some efforts to address child labor. The government created the Department of Child Protection, which is housed under the Directorate of Social Protection and Solidarity and leads a multi-sector team focused on combating child labor. Concerns remain with regard to freedom of association, the right to organize and bargain collectively, and the existence of the worst forms of child labor. Other concerns include a lack of accountability for gender-based violence.

International Terrorism/U.S. National Security: São Tomé and Príncipe has not engaged in activities that undermine U.S. national security or foreign policy interests.

SENEGAL

Status: AGOA Eligible.

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: Senegal's market-based economy is well-developed and largely open to foreign investment. The investment code provides for equitable treatment of foreign and local firms. Financial and capital markets are open, attracting domestic, regional, and international capital. In 2021, the Government of Senegal started to pursue an ambitious economic development blueprint focused on economic reform, investment in strategic infrastructure, and expansion of private investment to increase economic growth. However, in 2020, economic growth slowed, the fiscal deficit widened, and public debt levels rose due to the impact of the COVID-19 pandemic. Although the government continues to improve Senegal's investment climate, legitimate companies incur a heavy tax burden. Other than a long-standing import ban on poultry products, there are no significant barriers to U.S. trade and investment.

Rule of Law/Political Pluralism/Anticorruption: Senegal has a longstanding tradition of democratic pluralism and an open political system. Opposition political parties operate freely, and freedom of expression is protected, with a vibrant press representing a diversity of views. Senegal is a secular state with a tradition of respect for human rights and protections for freedom of religion. Although Senegal ranked 73 out of 180 countries in Transparency International's 2021 Corruption Perceptions Index, corruption remains a persistent problem, ranging from rent-seeking by government officials involved in public approvals, to opaque public procurement, to corruption in the police and judiciary.

Poverty Reduction: Senegal remains stable and relatively well-governed, and has continued to make progress in recent years on a range of development indicators. These include reducing gender inequality in schools, increasing access to primary education, and reducing rates of malnutrition and child mortality. Senegal has exceeded sustainable development goals (SDGs) for reducing extreme poverty. The country has also made substantial progress in reducing the incidence of malaria. Despite this progress, Senegal did not achieve all SDGs for unemployment challenges, universal primary education and reduction of maternal mortality. Rural areas of Senegal remained vulnerable

to food insecurity and the impact of fluctuating weather patterns due to dependence on rain-fed agriculture.

Labor/Child Labor/Human Rights: The Government of Senegal has made efforts to address child labor and trafficking in persons. A government initiative to address the COVID-19 pandemic through the "Zero Children" program removed 5,130 children from the streets, many of whom were victims of forced begging. However, the government did not investigate or prosecute traffickers exploiting children in forced begging during the reporting period. Concerns remain with regard to freedom of association, restrictions on free expression and media, and lack of accountability for gender-based violence.

International Terrorism/U.S. National Security: Senegal does not support international acts of terrorism nor engage in activities that undermine U.S. national security interests.

SIERRA LEONE

Status: AGOA Eligible.

Market Economy/Economic Reforms/Elimination of Barriers to U.S. Trade: Sierra Leone is a market-based economy heavily dependent on the export of minerals with an open, rules-based trading system with little government control on the prices of goods and services. The country is largely a traditional economy with the majority of the population engaged in subsistence agriculture and mining. The Government of Sierra Leone has a favorable attitude toward foreign direct investment (FDI) and accords FDI the same rights and privileges as domestic investors and businesses. Sierra Leone continues to attract investments through public-private partnerships to undertake major infrastructural projects. Foreign investors are free to establish, acquire, and dispose of interests in business enterprises and engage in all forms of remunerative activities.

Rule of Law/Political Pluralism/Anticorruption: The rule of law is fragile and uneven across the country. The justice sector in Sierra Leone has undergone major reforms after years of neglect and malfunctioning, particularly for institutions meant to uphold human rights. The legal system generally treats foreigners in a nondiscriminatory fashion, but the application of the law is often subject to financial and political influence. Election observers of the March 2018 Presidential elections were generally satisfied with the conduct of the polls and declared the elections free, fair, credible, and transparent. Moreover, corruption has been a major barrier to Sierra Leone's development agenda. For decades, it has been a way of life in Sierra Leone where politicians, civil servants, and business owners misappropriate public funds and engage in bribery to enrich themselves and raise their living standards. Transparency International ranked Sierra Leone 115 out of 180 countries in its 2021 Corruption Perceptions Index.

Poverty Reduction: Poverty is widespread in Sierra Leone with about 26 percent of the people being food-insecure and about 75 percent living below the poverty line. A widespread regional disparity exists in the incidence of poverty, with rural areas being the hardest hit. Child and maternal mortality rates are among the highest in the world. Poverty alleviation remain heavily dependent on foreign donors, and Sierra Leone will need prolonged international assistance and private investment to generate economic growth. The government has developed a new national education policy and has

embraced public-private partnerships in the education sector. The goal is to upgrade the quality of education nationwide, especially in under-served rural communities, and to enhance the human capital of every citizen.

Labor/Child Labor/Human Rights: The Government of Sierra Leone has made efforts to address trafficking in persons and child labor. During the reporting period, the government increased its efforts to combat trafficking in persons, including significantly increasing investigations and prosecutions and adopting a new anti-trafficking national action plan. Concerns remain with regard to freedom of association, the right to organize and bargain collectively, and the existence of the worst forms of child labor.

International Terrorism/U.S. National Security: Sierra Leone does not support international acts of terrorism nor engage in activities that undermine U.S. national security interests.

SOUTH AFRICA

Status: AGOA Eligible

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: South Africa has the most advanced and diversified economy in Africa, and in 2021 was the continent's largest trading partner with the United States. South Africa boasts a sophisticated financial sector with well-developed institutions and incorporates an open, rules-based trading system. It is a destination conducive to U.S. investment, and has a market-oriented and dynamic business community. In response to lagging growth rates and high unemployment, the government has enacted numerous measures to promote localization, equity transfer, and job creation. Key U.S. agricultural exports to South Africa, including poultry and pork, continue to face both significant and longstanding market access obstacles. In March 2019, the South African Parliament passed the Copyright Amendment Bill and the Performers' Protection Amendment Bill that contain some needed modernizations of the copyright law, such as the introduction of the right of communication to the public. However, these bills also contained provisions that some stakeholders, including significant numbers of South African and international stakeholders, particularly in the creative industry, assert would weaken the adequacy and effectiveness of copyright and related rights protection in South Africa. In June 2020, the South African President sent the bills back to Parliament citing constitutional concerns. Parliament then solicited public comments and held public hearings on the bills. As of May 2022, Parliament was still considering amendments to the bills. The South African Government's National Data and Cloud Policy aims to promote economic development and growth but contains a number of recommendations that could undermine the country's WTO commitments and impose burdensome compliance requirements on domestic and foreign businesses.

Rule of Law/Political Pluralism/Anticorruption: South Africa remained committed to democracy, the rule of law – the right to due process, a fair trial, and equal protection. The government has restarted economic reform and undertaken visible efforts to tackle corruption. The country's strong political and judicial institutional frameworks, girded by its highly liberal constitution, continue to guide public life and set aspirations for the society in these areas during the review period. Deficiencies with enforcement, however, particularly among the police force, remained acute. Corruption and uneven police performance are considered common and widespread. South Africa ranked 70 out of 180 in the 2021 Transparency International Corruption Perceptions Index.

Poverty Reduction: The South African Government remained committed to reducing poverty, primarily through job creation. However, limits to already low growth prospects are a concern for poverty reduction. Access to housing near job sites remained a challenge for many South Africans during the review period, and unemployment rates are extremely high. South Africa is a relatively high-wage economy with low productivity, which limits its competitiveness. The quality of public education also remains uneven across different segments of the population. The country has one of the highest wealth disparity rates in the world. In April 2022, devastating floods killed hundreds of people and displaced tens of thousands around the city of Durban and other areas of KwaZulu-Natal Province.

Labor/Child Labor/Human Rights: The Government of South Africa has made some efforts to address child labor. During the reporting period, however, the government did not increase efforts to combat trafficking in persons, including in law enforcement, and was downgraded to the Tier 2 Watch List in the U.S. State Department's 2021 Trafficking in Persons Report. Concerns remain with regard to the existence of the worst forms of child labor.

International Terrorism/U.S. National Security: South Africa does not support international acts of terrorism, nor engage in activities that undermine U.S. national security interests.

SOUTH SUDAN

Status: Not AGOA Eligible.

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: While South Sudan has made some recent progress implementing exchange rate reforms the economy is still far from market based. The Government of South Sudan is in financial distress and regularly accumulates arrears on its commitments. South Sudan's economy continued to be riddled with corruption and non-transparent transactions throughout the review period. Due to the high-risk business environment in South Sudan, few U.S. companies operate there.

Rule of Law/Political Pluralism/Anticorruption: The Government of South Sudan has a general lack of due process, and applies the law in an arbitrary manner, often targeting opponents of the political elite. Journalists are routinely taken to court for writing stories which describe corrupt dealings of the political elite. Corruption and bribery remain widespread, and oversight institutions do not receive the funding necessary to function at a basic level. The 2021 Transparency International Corruption Perceptions Index placed South Sudan last (180 out of 180). In addition to corruption concerns and non-transparent transactions, local media have reported instances of government officials arbitrarily enforcing price caps on goods and services in the market. An incompetent judiciary and corrupt customs officials present substantial, ongoing barriers to trade and safe investment.

Poverty Reduction: South Sudan's economic policies prioritize state capture of resources and the redirection of the country's oil wealth into the bank accounts of the politically connected elite. In the reporting period the government failed to address the food insecurity of its population. Additionally, the South Sudanese government has actively impeded the delivery of lifesaving supplies to famine-

afflicted areas of the country, and its security forces have done little to prevent, and have sometimes participated in, armed conflict that has contributed to food insecurity.

Labor/Child Labor/Human Rights: South Sudan remains on Tier 3 of the U.S. State Department's 2021 Trafficking in Persons Report for not making significant efforts to eliminate trafficking. In addition, the government demonstrated a practice of being complicit in the use of forced child labor in more than isolated incidents. South Sudan remains on the Child Soldiers Prevention Act List. Officers in South Sudan's national army and law enforcement continued to recruit, sometimes forcibly, and use children in armed conflict against armed opposition groups. Concerns remain with regard to freedom of association, the right to organize and bargain collectively, and the existence of the worst forms of child labor. The government has not established a minimum wage, and there are no occupational safety and health standards. Other concerns include restrictions on free expression and the press; interference with the freedom of peaceful assembly, including overly restrictive laws on the organization, funding, or operation of nongovernmental organizations and civil society organizations; and lack of accountability for gender-based violence.

International Terrorism/U.S. National Security: South Sudan does not support international acts of terrorism nor engage in activities that undermine U.S. national security interests.

TANZANIA

Status: AGOA Eligible.

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: The Government of Tanzania continues to have a large role in the economy, but there are clear signs that the administration of President Samia Suluhu Hassan is focused on jumpstarting the economy and attracting foreign investment since she assumed office in March 2021. She has further promised to address business climate challenges, reform tax administration, solve investor disputes, reduce barriers to entry for foreign entities, simplify the work permit process, and improve the policy enabling environment. In addition, President Hassan has appointed several free-market economists and financial technocrats to key positions. Barriers to U.S. trade and investment remain as there continues to be limitations on foreign ownership in a number of key sectors, including aerospace, agribusiness, travel, and tourism. Concerns also remain about Tanzania's longstanding discretionary import licensing for poultry meat.

Rule of Law/Political Pluralism/Anticorruption: President Hassan began her tenure in March 2021 with calls for national unity and Tanzania's return to the international community. She has made a series of policy and administrative changes that signal a shift from her predecessor's more controversial policies. Earlier in the reporting period, during her predecessor's tenure, Tanzania's rule of law, political pluralism, and the right to due process were a concern. Tanzania improved slightly in the 2021 Transparency International Corruption Perception Index to 87 out of 180 countries.

Poverty Reduction: Tanzania's 2021/2022 budget increased allocations for health, education, and certain social and economic security programs. Following two decades of sustained growth, Tanzania formally graduated to lower-middle-income country status in July 2020. On April 8, 2021,

Parliament approved the third Five Year Development Plan which continues to emphasize industrialization for development. In 2020, economic growth slowed to two percent, adversely affecting lives and livelihoods of Tanzanians.

Labor/Child Labor/Human Rights: The Government of Tanzania has made efforts to address trafficking in persons. The government identified more trafficking victims, but courts convicted fewer traffickers and did not impose penalties that were sufficiently stringent. During the reporting period, the Zanzibar government increased funding of its labor inspectorate and hired an additional 16 labor inspectors. The mainland government in Tanzania, however, continues to explicitly support the routine expulsion of pregnant students from public schools, making them more vulnerable to child labor. Concerns remain with regard to freedom of association, the right to organize and bargain collectively, and the existence of the worst forms of child labor. Other concerns include restrictions on free expression and media; interference with the freedom of peaceful assembly, including overly restrictive laws on the organization, funding, or operations of nongovernmental organizations and civil society organizations; and lack of accountability for gender-based violence.

International Terrorism/U.S. National Security: Tanzania does not support international acts of terrorism nor engage in activities that undermine U.S. national security interests.

TOGO

Status: AGOA Eligible.

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: Togo has a market-based economy and is a West African business hub, in part because of its deep-water seaport and a modern international airport. The Government of Togo continued to pursue reforms in 2020 aimed at encouraging economic development and a better business environment. The government will also establish a support mechanism for small and medium enterprises to strengthen its competitiveness and resilience for future crises. Attracting foreign direct investment is also a priority for Togo. With a promising investment climate and modern transportation infrastructure, Togo's steadily improving economic outlook offers opportunities for U.S. firms interested in doing business locally and in the sub-region.

Rule of Law/Political Pluralism/Anticorruption: Togo's past few national elections were generally free, fair, and peaceful. However, concerns remain due to the limited observation efforts during the February 2020 presidential elections and the government's decision to revoke observation credentials from a U.S.-financed neutral civil society organization. Although not as pervasive as elsewhere on the continent, corruption remains a concern and is a major issue in land dispute settlements. Togo is ranked 128 out of 180 countries in Transparency International's 2021 Corruption Perceptions Index.

Poverty Reduction: The Togolese government created a development plan in collaboration with various stakeholders in 2020 to reduce poverty in the country. The government started to establish agricultural centers to shift production from subsistence farming to commercial farming as well as promoting private sector corporate social responsibility to eliminate poverty and support the most

vulnerable populations. Togo has also adopted a decree recognizing private sector entities that focus on the well-being of communities as well as corporate profits.

Labor/Child Labor/Human Rights: Togo has made efforts to address child labor and trafficking in persons. In 2020, the government issued a ministerial decree which defines and prohibits hazardous work for children under 18 years old. In addition, the government intercepted 250 children at risk of human trafficking and provided them social services. Concerns remain with regard to freedom of association and the right to organize and bargain collectively. Other concerns include restrictions on free expression and media, interference with the freedom of peaceful assembly, and lack of accountability for gender-based violence.

International Terrorism/U.S. National Security: Togo does not support international acts of terrorism nor engage in activities that undermine U.S. national security interests.

UGANDA

Status: AGOA Eligible.

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: Uganda has continued to maintain a market-based economy, but COVID-19 has deeply affected the country's economy. Laws and regulations generally support foreign direct investment, allow 100-percent foreign-owned businesses, and do not restrict joint ventures between Ugandan and international companies. Uganda allows 100 percent repatriation of profits and maintains a floating exchange rate and generally promotes cross-border trade. Bureaucratic inefficiencies and high transportation costs often act as impediments to trade and investment and raise the cost of doing business in Uganda.

Rule of Law/Political Pluralism/Anticorruption: The January 2021 elections were marred by violence, irregularities, and abuses by the government's security forces against opposition candidates and members of civil society. Concerns remained regarding the rule of law, political pluralism, and the right to due process, a fair trial, and equal protection under the law. The government curtailed the activities of civil society organizations. Corruption in Uganda is reportedly a significant issue throughout the political system. While Uganda has seen a handful of successfully prosecuted corruption cases in recent years, sentences remain relatively light and tend to focus on lower-ranking officials. The 2021 Transparency International Corruption Perceptions Index ranked Uganda 144 out of 180 countries.

Poverty Reduction: Despite Uganda's continued economic growth, prosperity for most Ugandans has not improved. Uganda's population growth rate is one of the highest in the world and unemployment and underemployment are also a growing concern as the population increases.

Labor/Child Labor/Human Rights: The Government of Uganda has made efforts to address trafficking in persons. During the reporting period, the government increased prosecutions of suspected traffickers and investigated allegations of government officials' complicity in trafficking crimes; however, it investigated fewer trafficking cases and convicted fewer alleged perpetrators. Concerns remain with regard to freedom of association and the existence of the worst forms of child labor. Other concerns include restrictions on free expression and media; interference with the

freedom of peaceful assembly, including overly restrictive laws on the organization, funding, or operation of nongovernmental organizations and civil society organizations; and lack of accountability for gender-based violence.

International Terrorism/U.S. National Security: Uganda does not support international acts of terrorism nor engage in activities that undermine U.S. national security interests.

ZAMBIA

Current Status: Eligible.

Market Economy/Economic Reform/Elimination of Barriers to U.S. Trade: Zambia has implemented corporate governance reforms promoting the rights and roles of minority investors in major corporate decisions. Throughout the reporting period, Zambia's massive public debt and inability to implement prudent fiscal and macroeconomic reforms has limited its ability to secure financing. High production costs, primarily due to geographic location, a relatively small local market, and poor infrastructure, all contribute to challenges of doing business in Zambia.

Rule of Law/Political Pluralism/Anticorruption: Zambia has maintained a long tradition of rule of law, a clear separation of powers and an effective and responsible judiciary. Zambia has remained politically stable since 1964 and continues to hold parliamentary and presidential elections every five years, but the run-up to national elections scheduled for August 2021 was marred by violent clashes between supporters of the two main political parties and the government has taken steps that undermine opposition parties, including targeted harassment of opposition party leaders and members, closure of independent media outlets, and inconsistent enforcement of public safety and public health legislation. However, after a decade of democratic backsliding, Zambians elected President Hakainde Hichilema, who expresses a commitment to national reconciliation and protecting fundamental freedoms. The media environment in Zambia remains constrained, with the government regularly issuing punitive threats against critical news outlets. The police service, marred by corruption and bribery is also an area of concern. Transparency International's 2021 Corruption Perceptions Index placed Zambia at 117 out of 180 countries monitored.

Poverty Reduction: In its seventh National Development Plan, Zambia has committed to poverty reduction and continues to work to promote small business development, encourage economic diversification, and raise labor productivity. Zambia currently has over 1.05 million people on HIV treatment largely due to U.S. efforts to combat HIV and transmission. However, Zambia's current fiscal constraints, driven largely by its excessive use of loans to finance infrastructure projects, and the impacts of COVID-19 on the economy have led to a significant shortfall in government revenues.

Labor/Child Labor/Human Rights: Zambia has made efforts to address child labor and trafficking in persons. The government significantly increased funding for its labor inspectorate and finalized its second National Action Plan for the Elimination of the Worst Forms of Child Labor. Although the government did increase investigations and prosecutions of trafficking crimes, the government did not convict any traffickers. Concerns remain with regard to freedom of association and the right to organize and bargain collectively. Other concerns include restrictions on free expression and media and interference with the freedom of peaceful assembly.

International Terrorism/U.S. National Security: Zambia does not support international acts of terrorism, nor engage in activities that undermine U.S. national security interests.

ZIMBABWE

Status: Not AGOA Eligible.

Market Economy/Economic Reforms/Elimination of Barriers to U.S. Trade: Zimbabwe ran an overall budget surplus in 2020 despite increased spending due to COVID-19. However, missteps by the central bank led to high inflation and currency depreciation, weak governance, and anti-market policies that hindered the development of efficient markets and a better investment climate. Zimbabwe's physical infrastructure deteriorated significantly over the last two decades due to lack of investment, but remains operable. The United States continues to maintain targeted sanctions aimed at those who undermine democracy, violate human rights, and engage in public corruption.

Rule of Law/Political Pluralism/Anticorruption: Although Zimbabwe committed itself to broad political reforms after the 2018 elections, it has made little progress and regressed in some areas. The justice system suffers from political interference, resulting in a culture of impunity within the security sector. Zimbabwe's judiciary lacks independence and impartiality as judges often use the law selectively to prosecute the ruling party's political opponents. Despite government pledges to stamp out corruption and the granting of new powers to the Zimbabwe Anti-Corruption Commission, the government has a track record of selective prosecution. It has targeted and repeatedly arrested journalists, politicians, and activists who highlight cases of high-level corruption. Zimbabwe ranks 157 out of 180 countries in Transparency International's 2021 Corruption Perceptions Index.

Poverty Reduction: Food insecurity persists annually, the severity of which largely depends on weather patterns. Strengthening property rights and establishing market-based agricultural policies could greatly improve agricultural yields and reduce food insecurity. The country's economy is still suffering from policies of the 2000s which encouraged the violent seizure and uncompensated confiscation of thousands of commercial farms and displaced hundreds of thousands of farm workers.

Labor/Child Labor/Human Rights: The Government of Zimbabwe has made efforts to address child labor. However, Zimbabwe was downgraded to the Tier 2 Watch List in the U.S. State Department's 2021 Trafficking in Persons Report, as the government did not increase overall efforts to combat trafficking in persons. Concerns remain with regard to freedom of association and the right to organize and bargain collectively. Repression, sometimes violent, anti-union discrimination, and harassment of unions and unionists by government actors is common. Other concerns include restrictions on free expression and media, interference with the freedom of peaceful assembly, and lack of accountability for gender-based violence.

International Terrorism/U.S. National Security: Senior government officials regularly attempt to undermine U.S. foreign policy interests through rhetorical attacks at high-profile international fora. Zimbabwe trades and has robust bilateral engagement with North Korea and Iran, both sanctioned by the United States for illegally developing nuclear weapons programs.

Chapter 5: Trade Capacity Building

This chapter provides an overview of the trade capacity building (TCB) programs and activities in sub-Saharan Africa conducted across different U.S. Government agencies. TCB can refer to any program or initiative that increases trade, improves the quality of goods and services, or increases market access for the people in that country. Many TCB programs focus on building human capital and infrastructure and spurring inclusive growth. For example, such projects can include the construction of roads and bridges, eliminating food insecurity through agricultural investment, promoting small enterprise development, and improving the business climate through training programs that help with administrative and regulatory processes.

From 2001 to 2020 (latest year of available data), the U.S. invested or obligated more than \$8.5 billion in trade-related projects in sub-Saharan Africa to spur economic growth and alleviate poverty.

Prosper Africa

Prosper Africa is a U.S. Government initiative to increase trade and investment between African nations and the United States. Through Prosper Africa, 17 participating U.S. government departments and agencies work together to advance sustainable trade policies that foster fair and accessible business climates while promoting the equitable distribution of trade benefits, particularly with underserved groups in the United States and Africa. For example, Prosper Africa funding for the West and Southern Africa Trade and Investment Hubs has enabled African businesses to take better advantage of AGOA trade preferences. Activities in Kenya include support for Small Business Development Centers; facilitating and tracking buyer-seller linkages between East African enterprises and U.S. buyers; and providing technical assistance to select East African private sector firms to strengthen their ability to trade. Additional activities to strengthen the business enabling environment on the continent are planned through USAID's newly-formed Africa Trade and Investment program.

Trade Capacity Building to Support Implementation of the African Continental Free Trade Area (AfCFTA)

Numerous U.S. Government agencies have collaborated to increase technical assistance to support the AfCFTA. Prosper Africa and USAID will provide support for regional integration and economic development through efforts to implement the AfCFTA. Under the USAID Africa Trade and Investment program, for example, USAID will partner with the private sector to promote a more transparent and consistent regulatory environment that fosters participation of all stakeholders and lowers risk and transaction costs for U.S. exporters and investors in Africa. USAID's Promoting American Approaches to ICT Regulatory Policy (ProICT) program will be supplying a technical consultant through Trademark East Africa (TMEA) to support the upcoming digital trade negotiations in the AfCFTA. USAID's West Africa Trade and Investment Hub is providing assistance to develop regional value chains, including in agriculture, light manufacturing, and financial services; and USAID's Mission to Ghana will work with the Government of Ghana and its private sector to promote the country's participation in AfCFTA.

The U.S. Department of Agriculture (USDA) supports the African Union (AU)'s development and ratification of the African Union Sanitary and Phytosanitary (SPS) Policy Framework to inform implementation of Annex 7 on SPS of the AfCFTA and, working in partnership with Akademiya2063, an Africa-based non-profit research organization, will support an embedded SPS Advisor at the AU Commission to focus on the implementation of the SPS Policy Framework.

With funding from USAID and Prosper Africa, the Commercial Law Development Program (CLDP) at the U.S. Department of Commerce is working to support the Africa Continental Free Trade Area (AfCFTA) agreement Protocol on Women and Youth.

The U.S. African Development Foundation

The U.S. African Development Foundation (USADF) is an independent U.S. Government agency, established by Congress more than 41 years ago, to invest in African grassroots organizations, entrepreneurs, and small and medium-sized enterprises. USADF's investments promote local economic development by increasing incomes, revenues and jobs and creating pathways to prosperity for marginalized populations and underserved communities.

USADF provides grants of up to \$250,000 directly to underserved African enterprises and social entrepreneurs that are creating and sustaining jobs, improving income levels, and achieving greater food security, energy access and employment opportunities for their communities. USADF-supported projects create pathways to prosperity for underserved communities in Africa. The USADF model gives grantees access to funds to scale their businesses and technical assistance to facilitate the kind of entrepreneurial growth which leads to continued capacity building and greater progress toward becoming viable trade partners with US companies. The USADF grant instruments range from one-time single disbursement awards to multi-year multiple disbursement non-reimbursable grants. USADF supports trade capacity building by empowering the small enterprise sector of the economy with grant funds and technical assistance.

Academy for Women Entrepreneurs Seed Funding Competition

In 2019, USADF partnered with the U.S. Department of State's Educational and Cultural Affairs Bureau (ECA) to provide funds to select graduates of their Academy for Women Entrepreneurs (AWE) business training program. The AWE Program trains women entrepreneurs to run and scale their businesses. In addition to providing mentoring and technical assistance, AWE participants take part in an online training program administered by Arizona State University's Thunderbird School of Management. The women must craft a business plan as a part of their graduation criteria and demonstrate how their business venture will impact their community and increase their trade capacity. USADF has provided over \$1.6 million over in the past two years to approximately 150 women graduates across 15 African countries. An example of how USADF's support for women entrepreneurs promotes trade capacity building is evident in one of its early grantees in the shea sector. USADF provided an early grant to "Mother's Shea," a shea butter company based in Ghana; employing only local women in the company; and sourcing exclusively from local suppliers. USADF's continued technical support and assistance helped the company scale its production capabilities and with the support of a USADF expansion grant in 2019, Mother's Shea product is now on the shelf in over 900 Target stores around the United States and various other retail establishments in the country.

Young African Leaders Initiative (YALI) Mandela Washington Fellows (MWF) Grant Competition

USADF has partnered with the Department of State and USAID to provide grant funds to select graduates of the YALI MWF program. USADF selects Africa's top young entrepreneurs to receive catalytic seed funding through highly competitive business plan competitions. Since 2014 in nearly 40 African countries, USADF has invested over \$6 million in more than 285 YALI entrepreneurs'

social enterprises, in partnership with Citi Foundation. The YALI program is the government's premiere young African entrepreneurs project to provide funds and technical assistance to business leaders in Africa.

African Small Business Catalyst Program (ASBC)

USADF has partnered with the U.S. International Development Finance Corporation (DFC) to offer select African businesses a blended finance opportunity with USADF, providing grants of up to \$100,000 alongside DFC provided loans of up to \$1 million. ASBC targets small and medium sized enterprises (SMEs) in sub-Saharan Africa in agriculture, food security, healthcare, and education, as well as water, sanitation, and hygiene. It provides special consideration to small businesses that tackle the climate crisis and address gender equity considerations through their work. This program enables African businesses to secure loans and grants to scale their businesses.

The Coffee Sector

Since 2015, USADF has invested approximately \$8.5 million in more than 40 cooperatives located throughout East and Central Africa including five AGOA countries (the Democratic Republic of the Congo, Kenya, Rwanda, Tanzania, and Uganda), directly impacting more than one million smallholder coffee growers. Most investments include working capital support, equipment for production, storage and transport, financial management, and governance training, as well as other sector-specific activities to promote this important cash crop and source of foreign exchange with export markets throughout the world, including the United States.

In 2021, USADF launched a coffee value chain strategic initiative focused on sustainability and increased accountability, innovation, and entrepreneurship in the coffee sector. The goal is to strengthen the capacity of USADF's Local Partners in the East African region to provide support to coffee cooperatives, accelerate agribusiness development, and increase the visibility of USADF's coffee platform. This regional program works in five AGOA countries (Tanzania, Uganda, Rwanda, the Democratic Republic of Congo and Malawi).

The Coffee Initiative aims to: build a multi-stakeholder alliance to accelerate the development of East African coffee agribusinesses by leveraging USADF grants, improving knowledge and skills of the implementing Local Partners, and increasing participation of coffee value chain actors. USADF is planning to invest approximately \$2 million in at least eight cooperatives the coffee sector in East Africa during fiscal year (FY) 2022.

The Shea and Cashew Sectors

USADF is supporting multiple investments in the shea and cashew sectors, particularly in four AGOA countries (Benin, Burkina Faso, Senegal, and Côte d'Ivoire) focused on sustainable parkland/plantation management, improved quality, marketing and value addition (cashew processing, shea cosmetics production and export). Since 2015, USADF has supported 13 projects totaling \$2.5 million in the shea sector with an additional three projects for \$750,000 in the pipeline for FY2022, and 11 projects totaling \$2.3 million in the cashew sector with four additional projects in the pipeline totaling approximately \$750,000 for FY2022. Support for local growers and processors has made significant contribution to the ability of African shea stakeholders to become viable trading partners across the supply chain.

The U.S. Agency for International Development (USAID)

USAID helps to build trade capacity in Africa through a range of bilateral, regional, and continental programs that advance U.S. and African trade, economic growth, and development priorities. The recently-launched and continent-wide Africa Trade and Investment program has been stood up to work in conjunction with the regional Trade and Investment Hubs to boost trade and facilitate investment to, from, and within the African continent by providing financial and technical support to businesses, entrepreneurs, and partner governments. The Africa Trade and Investment Program and the Hubs are also tasked with advancing priority initiatives such as Build Back Better World, Prosper Africa, Feed the Future, and the Global Alliance for Trade Facilitation. Building trade capacity is especially critical to the success of Prosper Africa, the U.S. Government initiative to increase two-way trade and investment between the United States and countries in Africa.

Through its multifaceted trade capacity building efforts, USAID works to increase the efficiency and transparency of cross-border transactions, harmonize safety and quality standards, and reduce the time and cost of doing business through the implementation of international and regional protocols in trade facilitation, technical barriers to trade, and sanitary and phytosanitary standards. Promoting regional integration and the removal of cross-border trade barriers unlocks the advantages brought about by economies of scale, reduces the cost of doing business, and expands market access for American companies while contributing to increased regional resilience, food security, and inclusive economic growth.

Africa Trade and Investment Program

The new Africa Trade and Investment program is USAID's flagship effort under the Prosper Africa initiative that aims to expand and accelerate regional, international, and U.S.-Africa trade and investment. The program, which runs through 2026, is focused on generating thousands of jobs across the African continent and within the United States, delivering billions of dollars in exports and investments, mobilizing private sector driven solutions, creating healthy business environments, and spurring economic opportunities for women and youth. The program does not target specific countries or sectors, which represents a fundamental shift in how USAID has traditionally programmed resources. Instead, the program is continent-wide which helps USAID better support market opportunities, particularly value chains that are regional in scope, to deliver greater development impact, bring value to the private sector, and position the African continent for future growth.

Southern Africa Trade and Investment Hub

The Southern Africa Trade and Investment Hub engages with partners across the region to deepen regional economic integration, promote trade with the United States under African Growth and Opportunity Act (AGOA), and attract investment that drives commercial expansion of Southern African companies into global markets. By building a vibrant, broad-based, and export-oriented private sector, including in agribusiness, and promoting an attractive business environment, the Hub fosters resilience among Southern African economies, while in turn fueling demand for U.S. goods and services. The Hub is working with trade promotion service providers through trade and investment promotion agencies, business member organizations, and trade facilitation firms. In FY 2020 and FY 2021, the Southern Africa Trade and Investment Hub leveraged \$28 million in private sector investment and helped facilitate \$128 million in exports to the United States.

West Africa Trade and Investment Hub

The Trade and Investment Hub in West Africa seeks to improve private sector productivity, profitability, and competitiveness in West Africa through market-based approaches. The Trade Hub is an integral part of the Prosper Africa initiative and partners with United States and West African private sector firms to generate new private sector investment in key sectors to create jobs and increase trade between the United States and West Africa, including through increased utilization of AGOA. At the end of its second year in FY 2021, the West Africa Trade and Investment Hub awarded \$40.8 million in grants, which have the potential to leverage \$313.18 million in private investment, create 36,034 new jobs, and generate \$215.3 million in new sales and exports. In 2021, the West African Trade and Investment Hub generated \$6.77 million in exports.

Global Shea Alliance

USAID partners directly with the Global Shea Alliance (GSA) through the Sustainable Shea Initiative (SSI) to promote the economic development of women in the shea industry in West Africa. The SSI supports the goal of USAID's gender equality and women's empowerment. Through the SSI, the GSA partners with private sector actors to construct warehouses for rural women pickers and to build their business development capacity through training and technical assistance, enabling them to trade directly with international buyers and, as a result, earn 30 to 50 percent more profit for their shea nuts. Through these actions, in 2021, the GSA facilitated shea exports valued at \$82.2 million and leveraged more than \$400,000 in private sector investment.

Feed the Future

Feed the Future is the U.S. Government's Global Food Security Strategy (GFSS) to combat global hunger, with a primary focus on smallholder food producers and their markets. Feed the Future efforts under the GFSS aim to improve market access and expand trade for small and medium sized farmers in domestic, regional, and international markets, which are key drivers of agriculture-led growth, food security, food availability, and poverty reduction. Feed the Future is working to increase job creation, expand market access, and promote agricultural growth. In the process, Feed the Future facilitates local partnerships to help integrate trade into broader development objectives. In addition to its support of agricultural trade through the USAID Trade and Investment Hubs, Feed the Future supports capacity building and policy harmonization through regional economic communities and regional private sector organizations.

Global Alliance for Trade Facilitation

The Global Alliance for Trade Facilitation (the Alliance) was launched on December 17, 2015, during the Tenth Ministerial Conference of the WTO in Nairobi, Kenya, as a unique, multi-stakeholder platform that leverages business and development expertise for commercially meaningful reforms. The United States catalyzed the creation of this public private partnership initiative and was a founding donor, joined by the Governments of Canada, Denmark, and Germany. The Secretariat of the Alliance is hosted by the Center for International Private Enterprise, the International Chamber of Commerce, and the World Economic Forum. The Alliance aims to accelerate ambitious trade facilitation reforms for robust economic growth and poverty reduction. The Alliance's in-country projects leverage the expertise and resources of the private sector to work collaboratively with governments to support effective reforms. The Alliance is currently implementing 32 projects in 21 countries with a further 26 projects in the scoping phase of development. Geographically, projects are distributed with 48 percent in Sub-Saharan Africa (spread across 13 AGOA-eligible countries), 19 percent in East Asia Pacific, 15 percent in the Middle East and North Africa, 13 percent in Latin

America and the Caribbean, and 6 percent in South Asia.

The Standards Alliance

The Standards Alliance is a public-private partnership of USAID and the American National Standards Institute (ANSI) dedicated to providing capacity-building assistance related to Technical Barriers to Trade (TBT), including the implementation of the World Trade Organization (WTO) TBT Agreement or compliance with AGOA eligibility requirements. The Standards Alliance coordinates subject matter experts from the private sector-led U.S. standardization system to deliver training and other technical assistance to participating countries. ANSI is the official U.S. representative to the International Organization for Standardization (ISO) and its membership comprises numerous standards-setting organizations and companies. In coordination with USTR as well as other government and private sector entities, the Standards Alliance has worked with a number of AGOA eligible countries, including Senegal, Côte d'Ivoire, Ghana, Mozambique, Zambia, South Africa, and Kenya. The Standards Alliance has responded to requests for TCB directly related to AGOA implementation in the area of textiles and apparel and regularly engages AGOA partner governments and stakeholders in explaining the U.S. standards system. Currently, the Standards Alliance provides private sector-driven technical assistance in the region on the biofuels, medical technology, and water and sanitation sectors. The initiative is also exploring opportunities in the construction related standards. All projects are co-financed by the U.S. private sector and USAID.

The United States Copyright Office

The United States Copyright Office offers training programming on copyright issues to sub-Saharan Africa countries through collaboration with the World Intellectual Property Organization (WIPO) and partner USG agencies, such as the U.S. Patent Trademark Office, the Office of the U.S. Trade Representative, and the State Department. Between 2020 and 2022, the Copyright Office contributed its expertise to several programs for the African Organization of Intellectual Property, the African Regional Intellectual Property Organization and the AU, including an AU Intellectual Property Seminar training held in Addis Ababa. The Office also provided training on important developments in U.S. and international copyright law through collaboration with WIPO on the Roundtables on International Copyright Education and its biannual International Copyright Institute, both of which were held virtually to accommodate COVID-19 travel restrictions.

The U.S. Department of Agriculture

The U.S. Department of Agriculture (USDA) implements agricultural technical assistance, training, and research programs in sub-Saharan Africa. USDA's trade capacity building objectives are to increase agricultural trade both regionally and with the United States, help African countries develop trade policies based on sound science, support agricultural sector growth in partner countries, and promote food security.

Food for Progress

Under this USDA program, U.S. agricultural commodities are donated for projects implemented by foreign governments, private organizations, non-profit organizations, colleges and universities, or intergovernmental organizations. Food for Progress works in developing countries committed to introducing and expanding free enterprise in the agricultural sector. Active programs in sub-Saharan Africa provide assistance valued at approximately \$328 million to the following countries: Benin, Burkina Faso, Côte d'Ivoire, Ethiopia, Nigeria, The Gambia, Ghana, Guinea Bissau, Kenya, Malawi, Mali, Mauritania, Mozambique, Senegal, Burundi, Rwanda, Uganda, and Tanzania.

Fellowship and Scientific Exchange Programs

USDA provides high-quality, U.S.-based agricultural research and training opportunities to eligible individuals from developing, middle income and emerging market countries. These fellowship and scientific exchange programs promote sharing of technical knowledge, facilitate cooperation, and create trade opportunities in the global marketplace. Due to the global COVID-19 pandemic, most of the programs have been paused since 2020; however, programming is expected to resume in mid-2022.

Borlaug International Science and Technology Fellowship Program

Established in 2004, the Borlaug International Science and Technology Fellowship Program (Borlaug) provides short-term collaborative research training for early to mid-career agricultural research scientists and policy makers from developing and middle-income countries. Participants are hosted at U.S. land grant universities, including Minority Serving Institutions, USDA and other government agencies, agricultural research centers, private companies, and not-for-profit institutions. Since 2005, there have been 264 Borlaug Fellowships, with some funding from USAID and the Department of Defense, supporting research partnerships to strengthen scientific capacity in 21 AGOA-eligible countries. Examples of activities include research in trade policy development, biotechnology, food safety regulations, and transboundary animal diseases.

Cochran Fellowship Program

The Cochran Fellowship Program provides mutually beneficial, short-term training in the United States to help countries develop market-driven food systems and increase trade linkages with U.S. agribusinesses. The Cochran program provides two to three weeks of agricultural training in the United States for mid-level and senior-level public or private officials in agricultural trade, marketing, policy, food safety, and technology transfer. Knowledge and skills gained by the participants can help countries to develop their capacity to trade and strengthen trade linkages with the United States. Over 1,990 Cochran fellows from 27 AGOA-eligible countries have been trained since 1984. Examples of trade capacity building activities include training in biotechnology, cotton classification, facilitating trade agreements, adhering to international standards, and sanitary and phytosanitary issues relating to trade.

International Agricultural Exchange Fellowship Program

The International Agricultural Exchange Fellowship Program (IAEFP) partners U.S. citizens with developing host countries to assist in establishing school-based agricultural education and youth extension programs. The intention of the IAEFP is to develop globally minded U.S. agriculturalists through experience living abroad, help meet the food and fiber needs of the domestic population of eligible countries and strengthen and enhance trade linkages between eligible countries and the U.S. agricultural industry. In 2021, nine IAEFP Fellows were stationed in schools throughout Ghana to assist in establishing school-based agricultural education and youth extension programs.

Scientific Exchanges Program

The Scientific Exchanges Program (SEP) aims to educate a new generation of agricultural scientists to assist in opening markets and decreasing or eliminating trade barriers. Since 2016, SEP has conducted 23 programs in AGOA eligible countries with a primary focus on sanitary and phytosanitary issues and removing technical barriers to trade.

Faculty Exchange Program

The Faculty Exchange Program (FEP) focuses on improving veterinary education and research in selected African countries for early to mid-career instructors at Colleges of Veterinary Medicine in Ghana, Kenya, Uganda, and Tanzania. Since 2016, USDA has trained 54 early to mid-career instructors at Colleges of Veterinary Medicine in Nigeria, Ghana, Kenya, Uganda, and Tanzania under the FEP.

Scientific Cooperation and Research Program

The Scientific Cooperation and Research Program (SCRP) is designed to support applied research, extension and education that creates practical solutions to challenges faced by small farmers. Since 2011, SCRP has carried out work in 10 AGOA-eligible countries on topics such as market development in Rwanda, cacao production in Ghana, and maize viral resistance in Kenya.

Sanitary and Phytosanitary Projects

USDA administers both USDA and USAID funds to coordinate and implement continental, regional, and single-country approaches to a broad range of sanitary and phytosanitary (SPS) measures, including food safety, animal, and plant health systems, leading to compliance with internationally accepted and science-based standards. Through capacity building and policy reform efforts, the program aims to create an enabling environment for safe agricultural trade, improving opportunities for both U.S. and African exports, and enhancing the U.S. Government's Global Food Security Strategy food security objectives.

In 2019, USDA supported the AU Commission in the development of an SPS Policy Framework, which was approved by African Heads of State in February 2020. The Framework is instrumental in consolidating the USDA relationship with the AU and enhancing U.S. agricultural and food exports to the 55 AU Member States. It will be used by the AU, Regional Economic Communities (REC's), and the 55 AU Member States to guide implementation of the SPS Chapter of the African Continental Free Trade Area. USDA also helped perform an AU scoping study of African stakeholders in 2019 to provide current perspectives from AU Member States and REC's on the most critical value-added functions an AU-Food Safety Agency could perform to harmonize and strengthen food safety control systems across the continent, REC's and Member States. In 2020, USDA supported the implementation of the SPS Policy Framework, engaging with the Department of Rural Economy and Agriculture; the Department of Trade and Industry; and various AU technical agencies.

USDA also supports regional SPS efforts, working with East African Community and the Economic Community of West African States on the creation of harmonized guides for phytosanitary border inspections, development of a regional phytosanitary task force, phytosanitary risk assessment, and updated quarantine pest lists. Additionally, through a complementary program, USDA funds technical engagements with the Intra-African Bureau for Animal Resources to support the African technical experts for the international standards-setting bodies of the World Trade Organization for Animal Health and the International Plant Protection Convention. USDA activities increase African experts' understanding and engagement in the standard setting processes of these organizations.

Agricultural Biotechnology

USDA provides targeted technical capacity building for science-based approaches to agricultural biotechnology to address trade restrictions and support access to the technology by farmers

worldwide. In Africa, disparate biosafety laws and regulations for genetically engineered (GE) crops represent a barrier to trade and innovation in agricultural products. USDA has provided technical assistance to many AGOA-eligible countries over the past several years, as well as regionally through the Common Market for East and Southern Africa and the AU. Countries that have made progress towards improved biosafety frameworks and commercialization of GE crops include Ethiopia, Ghana, Kenya, Malawi, Mozambique, Nigeria, Rwanda, Senegal, South Africa, Tanzania, and Uganda. For example, since 2018, five new African countries (Eswatini, Ethiopia, Malawi, Nigeria, and Kenya) have begun growing GE cotton. Field trials of GE crops are ongoing in Ghana, Mozambique, Tanzania, and Uganda. Senegal is in the process of amending trade-restrictive biosafety legislation to create an enabling environment for biotechnology innovation. With the approval of GE cowpea in 2021, Nigeria joined South Africa as one of only two countries in Africa to grow biotechnology food crops (other than cotton). In 2016, South Africa brought its biotechnology approvals into synchrony with the United States to facilitate approval of biotechnology corn imports during the country's drought-induced food shortages.

Trade Promotion

USDA has engaged in several initiatives for trade promotion between the United States and sub-Saharan Africa. USDA was scheduled to host a North Africa trade mission to Casablanca, Morocco in March 2020, but this was canceled because of the coronavirus pandemic. In August 2020, in response to the coronavirus pandemic, USDA pivoted to host Virtual Trade Events (VTEs) to continue to connect U.S. agribusinesses with potential foreign buyers. In 2021, USDA hosted two VTEs with 66 buyers from Algeria, Egypt, Ghana, Kenya, Nigeria, and South Africa, which resulted in 294 business-to-business meetings with U.S. exporters and a combined \$855,000 in projected 12-month sales. In March 2022, USDA announced it will lead an in-person Agribusiness Trade Mission to Nairobi, Kenya, with buyers from across East Africa, on October 31-November 3, 2022. In February 2022, USDA sponsored 30 African buyers to attend the Gulfood trade show in Dubai, United Arab Emirates, to meet with exhibiting U.S. companies.

Export Credit Guarantee Program

Under the Export Credit Guarantee Program (GSM-102), USDA encourages financing of commercial exports of U.S. agricultural commodities. During fiscal years (FY) 2020-2021, USDA made available \$1.15 billion in export credit guarantees for Africa: \$300 million in FY 2021 and \$850 million in FY 2020. Virtually all AGOA-eligible countries are eligible to participate in GSM-102, and many are also eligible for the Facility Guarantee Program, which offers credit guarantees to facilitate the financing of U.S. manufactured goods and services to improve or establish agriculture-related facilities and infrastructure in emerging markets, provided these improvements primarily benefit exports of U.S. commodities. USDA routinely conducts program outreach in Africa to educate importers and banks on the benefits of USDA's export credit guarantee programs.

Market Development

USDA provided approximately \$5.9 million in Market Access Program (MAP), Foreign Market Development (FMD) and Agricultural Trade Program (ATP) funds in 2019 for U.S. cooperator groups to invest in AGOA countries. More than half of these funds (\$3.1 million) came from the new ATP program. In 2020, \$1.9 million in MAP, FMD, and ATP were used to strengthen trade relationships between U.S. agriculture and AGOA beneficiaries. Nearly half of the market development funds in both years were spent in South Africa. Activities include trade servicing, crop quality, supply and demand, and capacity building of African buyers for increased knowledge of

trade in U.S. food and flour milling short courses. USDA industry partners have used USDA market development funds to expand U.S. product familiarity and interest in Africa.

U.S. Department of Commerce

The U.S. Department of Commerce promotes job creation and economic growth in the United States. Working across numerous agencies, it works to ensure fair and reciprocal trade, providing the data necessary to support commerce and constitutional democracy, and fostering innovation by setting standards and conducting foundational research and development. To advance trade ties with the continent, the Commerce Department maintains offices in nine countries in sub-Saharan Africa via the U.S. Commercial Service. It helps build trade capacity and investment in sub-Saharan Africa by promoting an environment ideal for U.S. businesses to export, by addressing the removal of trade barriers, and by enforcing laws that ensure a level playing field for American businesses and workers. The Commerce Department also administers the President's Advisory Council on Doing Business in Africa.

The Department of Commerce maintains commercial Memoranda of Understanding (MOUs) with four countries in sub-Saharan Africa: Kenya, Mozambique, Côte d'Ivoire, and Ghana. Additionally, the Commerce Department has a similar MOU with Tunisia. These MOUs generally facilitate information-sharing on commercial opportunities in priority sectors and collaboration in addressing non-tariff barriers to trade.

In addition, the U.S.-Nigeria Commercial and Investment Dialogue (CID) is a policy mechanism designed to provide the governments of the United States and Nigeria with direct access to the experiences of the private sector operating in the market towards addressing issues hindering trade and investment. The first ministerial level meeting was held in February 2020, however, plans for these follow-on engagements were initially stalled due to the emergence of COVID-19. The U.S. and Nigerian governments at the working level were able to regain some momentum virtually in 2021 by analyzing the U.S. and Nigerian private sector recommendations and categorizing them into short-, medium-, and long-term actions for the respective governments.

Global Intellectual Property Academy

The United States Patent and Trademark Office (USPTO), an agency of the Department of Commerce, provides intellectual property (IP) capacity building and technical assistance through its Global Intellectual Property Academy (GIPA). GIPA produces capacity building programs developed by USPTO experts that address a full range of IP protection and enforcement matters. Examples include: enforcement at national borders; internet piracy; counterfeited products which endanger public health and safety; trade secret protection; copyright policy; technology transfer; and patent and trademark examination. Technical assistance activities in IP protection and enforcement help further build trade capacity by strengthening the IP systems that promote innovation and creativity, foster economic development and attract foreign investment.

Over the last two years, the GIPA has provided an estimated 30 programs to over 600 attendees from sub-Saharan African countries, including Angola, Benin, Botswana, Burkina Faso, Cabo Verde, Comoros, Republic of the Congo, Côte d'Ivoire, Eswatini, The Gambia, Ghana, Kenya, Lesotho, Liberia, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Nigeria, Rwanda, Sao Tome and Principe, Senegal, Sierra Leone, South Africa, Tanzania, Uganda, and Zambia. Often programs are provided in cooperation with intergovernmental organizations such as the African Regional

Intellectual Property Office (ARIPO), the Organisation Africaine de la Propriété Intellectuelle (OAPI) and the World Intellectual Property Organization (WIPO). USPTO also partners on programming with other U.S. agencies including the U.S. Department of State, the U.S. Department of Justice, the U.S. Copyright Office (USCO), the Office of the United States Trade Representative (USTR), the U.S. Department of Agriculture (USDA).

Commercial Law Development Program

The Commercial Law Development Program (CLDP) is a team of attorneys, resident advisors, program specialists, and administrative personnel who provide technical assistance for commercial legal reforms in developing and post-conflict countries.

As part of the U.S. Government's Power Africa initiative, CLDP is working to improve the legal and regulatory environment for power projects in the African market. CLDP's technical assistance focuses on streamlining the project development process by promoting transparent and competitive legal frameworks for contracting, financing, and procurement, and building the capacity of all parties to understand the risks and challenges inherent in the process.

To address the long-standing financing gap for power transmission infrastructure, in March 2021, CLDP under Power Africa has developed the Understanding Power Transmission Financing handbook. This has become a trusted resource for best practices on everything from power project contracts to project procurement. This new handbook captures the state of African utilities on transmission infrastructure and outlines options for accessing finance, including private sector driven business models that can attract both financial capital and technical expertise. Additionally, in October 2020, CLDP released the second edition of the Understanding Power Purchase Agreements handbook. The updated guide includes additional insight and case studies on the negotiation of power purchase agreements for both small and large-scale projects, along with new guidance on emerging issues in the African power markets such as commercial and industrial power purchase agreements and cross-border agreements.

Furthermore, through USAID and Prosper Africa-funded assistance, CLDP is developing the African Women and Youth Empowerment Working Group (AWYEG) that seeks to coordinate the USG interagency, the private sector, and non-governmental organizations in support of the Africa Continental Free Trade Area (AfCFTA) agreement Protocol on Women and Youth.

U.S. Department of Homeland Security

The U.S. Department of Homeland Security (DHS)'s Intellectual Property Rights Coordination Center (IPR Center) directs, organizes, and delivers regional IPR training in the form of lectures and presentations to foreign customs, police, prosecutors, and magistrates with assistance from interagency partners. The IPR Center training programs are led by subject-matter experts and focus particularly on health and safety counterfeited items, such as pharmaceuticals, electronics, automotive parts, and health and beauty products. In May 2022 in Durban, South Africa, HSI Pretoria hosted a training conference for 35 police investigators, customs officials, and prosecutors from South Africa, Botswana, Eswatini, and Lesotho. The participants heard presentations from multiple DHS and Department of Justice officials and multiple private industry brand holders. Additionally, the South African Police Service (SAPS), South Africa Health Products Regulatory Authority (SAHPRA), the South Africa National Prosecuting Authority Asset Forfeiture Unit (NPA AFU), and the South Africa

Companies & Intellectual Property Commission (CIPC) presented on the role of each agency in fighting counterfeiting crimes in Southern Africa. The participants left the training conference with an increased capacity to investigate and prosecute IPR crimes, as well as an expanded network of contacts across the stakeholder countries and agencies involved in IPR enforcement in Southern Africa.

U.S. Department of Justice

For intellectual property and cybercrime issues, the Department of Justice's (DOJ) international effort includes a global network of International Computer Hacking and Intellectual Property (ICHIP) attorneys (formerly, the Intellectual Property Law Enforcement Coordinator -- IPLEC -- program). With the support of the State Department, DOJ has posted ICHIPs in Abuja, Nigeria (focusing on IP issues) and Addis Ababa, Ethiopia (focusing on cybercrime matters). The ICHIPs play an important role in training and capacity building for law enforcement, prosecutors, and judges in the criminal enforcement of IP and cybercrime laws.

U.S. Department of Labor

The U.S. Department of Labor (DOL) funds and implements a number of international development projects aimed at assisting sub-Saharan African countries to improve internationally recognized worker rights and address various labor related issues. Establishing and adhering to internationally recognized worker rights promotes trade capacity, as it further helps attract international investment, increase trade, build industry and consumer confidence in global supply chains, and improve inclusive development and livelihoods. DOL projects aim to strengthen a country's labor-related policies, increase access to educational and livelihood opportunities, and improve social protection and industrial relations. These initiatives also assist governments to improve compliance with the AGOA worker rights eligibility criteria by: reforming laws and policies; building government capacity to improve workplace safety and health and combat exploitative child labor, forced labor, and human trafficking; and improving access to workforce development programs and decent work opportunities for youth.

Capacity Building Projects

DOL funded \$76.9 million in global, regional, and country-specific projects that include eight AGOA-eligible countries. DOL also funded approximately \$6.5 million to projects in Ethiopia, which is not currently AGOA-eligible. These initiatives aim to build government capacity to improve internationally recognized worker rights, including by: improving legislation by bringing local and national laws into compliance with international standards; improving monitoring and enforcement of laws and policies related to the worst forms of child labor and conditions related to wages, hours, and occupational safety and health; promoting and sustaining tripartite dialogue among workers, employers, and the government; supporting effective implementation of national plans of action on child labor; strengthening national labor inspectorates to conduct inspections and address child and forced labor by improving the evidence base through data collection and research; and strengthening social protections and access to education as a means to combat child and forced labor. Global DOL projects are also building the capacity of civil society organizations to advocate for improved policies and laws, raise awareness on child labor, and establish child labor monitoring systems.

Combating Child Labor and Forced Labor

DOL funded \$29.7 million in projects to address child labor and/or forced labor in Côte d'Ivoire, the

Democratic Republic of the Congo, Ghana, Kenya, Madagascar, and Uganda. The projects principally cover cobalt, gold, and mica mining and the agricultural sector, including cocoa and oil palm. They aim to withdraw or prevent children from the worst forms of child labor through education services and to provide livelihood alternatives to households of children engaged in child labor or at high risk of doing so. The projects also seek to provide vocational skills training and apprenticeship opportunities for youth ages 14-17, and to improve their access to safe and acceptable youth employment. In addition, these projects work with African governments to reform laws and policies, raise awareness, collect data, develop monitoring mechanisms, and expand access to social protection as a means to improve government efforts to combat the worst forms of child labor. They also aim to build the capacity of employers and workers' organizations and civil society actors to identify, monitor, and remediate cases of child labor and forced labor.

U.S. Department of State

The U.S. Department of State implements several TCB programs that advance U.S. trade policy objectives by opening new export opportunities for U.S. businesses, farmers, ranchers and workers through global, regional, and bilateral trade initiatives.

African Women's Entrepreneurship Program

The African Women's Entrepreneurship Program (AWEP) was established in 2010 to help participants build strong, export-oriented businesses, taking advantage of AGOA trade preferences and integrating their firms into regional and international supply chains. Following participation in the International Visitor Leadership Program (IVLP) portion of AWEP, State encouraged alumnae of this program to create chapters in their country of origin to share their knowledge and expand the network of women entrepreneurs. The AWEP chapters have since become self-sustaining organizations that serve as incubators, networking hubs, and locally run organizations to further AWEP objectives and promote female entrepreneurship. The AWEP network includes more than 60,000 members including 200 AWEP IVLP alumnae with small and medium-sized enterprises in the agribusiness, food processing, textile, fashion, home accessories, and other sectors in 44 chapters across Africa. AWEP alumnae can work with USAID's three regional trade and investment hubs in South Africa, Kenya, and Ghana to increase their companies' international export competitiveness and intra-regional trade, as well as U.S. Missions in country.

Direct Line Seminars

The State Department plays a pivotal role in advocating for, supporting, and expanding U.S. business opportunities overseas in close coordination with the Department of Commerce and wider interagency. The "Direct Line for American Business" (more commonly referred to as the Direct Line program) connects U.S. companies with ambassadors and our economic and commercial experts via webinar to provide intelligence on opportunities and market conditions abroad. Direct Line webinars provide a direct channel for ambassadors and other Mission leaders to lead discussions with U.S. exporters and investors about existing and forthcoming commercial opportunities and to address potential commercial challenges in their host countries. Direct Line also presents an opportunity for embassy Deal Teams to highlight specific business prospects with the U.S. business community. In 2020 the State Department provided an overall market assessment Direct Line with Kinshasa, Democratic Republic of the Congo and a Digital Opportunities Direct Line with Dakar, Senegal.

Women's Entrepreneurship Finance Initiative

The Women Entrepreneurs Finance Initiative (We-Fi) is a World Bank-hosted Trust Fund that the

United States and 13 other countries launched in 2017 at the G20 Leaders' Summit by the United States and 13 other countries. The United States contributed \$50 million in funding through the U.S. Department of State, catalyzing \$304 million from other participating governments. We-Fi addresses the credit gap facing women-led small and medium-sized enterprises through increasing women's access to financing, markets, technology, and networks. As of 2021, there are active We-Fi funded projects in 17 Sub-Saharan African countries valued at \$50 million, with projects planned in an additional 8 countries.

U.S. Department of Transportation

The U.S. Department of Transportation (DOT) works to ensure fast, safe efficient, accessible, and convenient transportation systems that meet vital national interests. Under the Office of the Secretary, Aviation and International Affairs, DOT advises on international transportation and trade policy by conducting in-depth analyses and provides policy recommendations to address emerging and ongoing international transportation issues.

Safe Skies for Africa

Safe Skies for Africa (SSFA), led by the U.S. Department of Transportation, is the U.S. Government's chief program supporting improvements in African aviation safety, security, air navigation, and accident investigation. SSFA's mission is to partner with willing and capable states in sub-Saharan Africa and regional organizations through political engagement, technical assistance, and training opportunities to foster and sustain internationally compliant aviation operations. SSFA enables African states and regions to achieve compliance with international aviation standards to drive economic growth and development, improve air transportation, and have policy dialogues with the United States to advance trade and sale of U.S. goods and services. SSFA has built a foundation for greater commercial ties, mobility, and connectivity between the United States and Africa by working with key stakeholders to raise standards and access to U.S.-Africa aviation services.

The U.S. Development Finance Corporation

U.S. International Development Finance Corporation (DFC) officially opened its doors in late 2019, ushering in a new era of U.S. development finance and foreign policy. As America's development bank, DFC helps businesses expand into emerging markets, foster growth, and improve lives in the developing world, while reinforcing U.S. foreign policy and national security interests. DFC combines and modernizes the existing development finance functions of the U.S. Government—namely the Overseas Private Investment Corporation (OPIC) and USAID's Development Credit Authority (DCA). The new agency was created with bipartisan support through the Better Utilization of Investments Leading to Development (BUILD) Act.

In addition to OPIC and DCA's previous capabilities, DFC is equipped with new resources and tools to multiply its impact. Enhancements include an investment cap of \$60 billion—more than double OPIC's \$29 billion limit—and new financial tools such as equity investments, technical assistance, and feasibility studies to more proactively address development needs.

DFC has a strong focus on sub-Saharan Africa and supports multiple projects that are expanding access to electricity, food, healthcare, education and technology. DFC has more than \$9 billion of active investments in sub-Saharan Africa, and supports multiple U.S. Government initiatives including Prosper Africa, Feed the Future, and Power Africa.

The Export-Import Bank of the United States

The Export-Import Bank (EXIM) is the official export credit agency of the United States. The agency's mission is to support American jobs by facilitating the export of U.S. goods and services to international markets, including developing markets such as those in sub-Saharan Africa. With a congressional mandate to operate in sub-Saharan Africa, EXIM meets its mission through providing loans, guarantees, and insurance with the goal of supporting and creating U.S. jobs. Subject to eligibility requirements, EXIM's mission also includes the ability to finance some local costs in projects of the host country.

In FY 2021, EXIM's total authorizations to sub-Saharan Africa were \$42.9 million and represented 74 transactions for the region, while FY2020 authorizations totaled \$138.9 million. In the last 10 years, EXIM has supported over \$12 billion in authorizations for sub-Saharan Africa. While EXIM had fewer medium and long-term transactions for the region in 2021 due to the COVID-19 pandemic, the Bank remained engaged in developing current transactions such as the \$105 million rural electrification project in Senegal. This project was in support of Weldy-Lamont, a Chicago-based small business specializing in supply and installing electrical equipment. Additionally, the EXIM actively worked on a wide range of U.S. exporting opportunities in several sectors, including renewable energy, mining, refineries, agriculture, telecommunications, electricity, aviation, petrochemicals, and potable water.

Under EXIM's current country limitation schedule, 42 out of 49 countries in the region are eligible for some or all of the agency's financing options. EXIM has signed bilateral Memoranda of Understanding (MOUs) with Angola, Senegal, and Ghana. Additionally, as part of EXIM's commitment to building institutional relationships, EXIM plans other bilateral arrangements with countries across the region to advance U.S. commercial engagement. While EXIM's authorizations were adversely impacted by the severity of the pandemic, the agency continues to look towards post-pandemic recovery and maintains focus on several Administration initiatives aimed at developing a strong pipeline of bankable projects.

Under the direction of Chair Reta Jo Lewis, EXIM leadership pledges to continue rebuilding partnerships through commercial diplomacy and outreach in support of Prosper Africa. In light of this commitment, Chair Lewis welcomed Prime Minister Patrick Achi of Côte d'Ivoire and a Mozambican official delegation to EXIM within her first 30 days in office. In continuance of EXIM's efforts to rebuild partnerships, agency leadership is planning greater outreach and formal arrangements with African government officials, private sector and financial institutions in an effort to increase trade between the and Sub-Saharan Africa.

EXIM continues to foster strong ties with financial institutions across the continent, including the African Export-Import Bank (Afreximbank) and the African Development Bank (AfDB). Representatives of Afreximbank, United Bank for Africa, and Nedbank of South Africa were speakers at EXIM's 2021 EXIM Annual Conference where financial de-risking measures were discussed as a means to strengthen trade ties. In addition, EXIM's Annual Conference featured the Africa Center which discussed ways improve outreach and increase opportunities with the African Diaspora in the United States.

In support of whole-of-government, EXIM continues to coordinate export-driven efforts with the

Foreign Service of the U.S. State Department, Foreign Commercial Service of the U.S. Department of Commerce (DOC), the U.S. Trade and Development Agency (USTDA), the U.S. Aid and International Development Agency (USAID), the Millennium Challenge Corporation (MCC), the U.S. International Development Finance Corporation (DFC), the Office of the U.S. Trade Representative (USTR), and other federal government entities to encourage economic engagement pursuant to legislation such as the Africa Growth and Opportunity Act (AGOA) and initiatives such as Prosper Africa, Power Africa, Access Africa, and Digital Africa. In addition, our Annual Conference featured a panel on U.S. Government Tools for Encouraging U.S. Exports to Africa and explored how the United States plans to strengthen and reinforce our commercial relations with Africa.

EXIM's sub-Saharan Africa Advisory Committee (SAAC) was established, as required by Congress, to advise the EXIM Board of Directors on the development and implementation of policies and programs designed to promote EXIM's engagement in sub-Saharan Africa.

Millennium Challenge Corporation

Since its founding in 2004, the Millennium Challenge Corporation (MCC) has invested more than \$8.1 billion in trade-related assistance to developing countries, with over \$4.8 billion of that amount invested in AGOA-eligible countries. MCC's investments support critical infrastructure like roads, ports, and electricity, improve the productivity of export-oriented industries such as agriculture, and open opportunities for small- and medium-sized enterprises. African countries are the largest recipients of MCC's development assistance, both in the number of partnership agreements and in the amount of assistance provided. MCC's partnerships with AGOA-eligible countries span the continent and have included expansions to critical seaports in Benin and Cabo Verde and roads used for commerce in Ghana, Mozambique, Niger, Côte d'Ivoire, and Senegal. MCC's innovative approach—from viability gap financing for infrastructure projects to support of regulatory reforms—unlocks capital, improves investment environments, and helps create opportunities for firms in emerging markets.

MCC and the Government of Burkina Faso signed a \$450 million power compact in August 2020. Since January 31, 2022, MCC's operations in Burkina Faso are currently on hold following the military coup d'état of January 23-24, 2022. The U.S. State Department's designation of a coup has triggered actions requiring adherence to Section 7008 concerning U.S. Foreign Appropriations Act. MCC was in the final stages of designing the grant-funded program focused on the electricity sector. The program's implementation clock would have begun in September 2022 and would have lasted five years.

In September 2021, MCC's implementation clock began for a five-year, \$550 million MCC Senegal power compact, between the Government of the United States and Senegal, and a supplemental \$50 million from the Government of Senegal for a total \$600 million program. The compact seeks to ensure consistent and affordable access to energy in Senegal, thereby allowing businesses to grow, catalyzing private sector investment, increasing productivity and employment, and ultimately supporting diversification and growth of Senegal's economy.

U.S. Trade and Development Agency

The U.S. Trade and Development Agency (USTDA) helps companies create U.S. jobs through the export of U.S. goods and services for priority infrastructure projects in emerging economies. USTDA links U.S. businesses to export opportunities by funding project preparation and partnership building activities that develop sustainable infrastructure and foster economic growth in partner countries. USTDA achieves its mission by funding feasibility studies, technical assistance and pilot projects that integrate U.S. private sector innovation into infrastructure projects at the critical early stages when design choices and technology options are determined. The Agency also connects overseas project sponsors with U.S. partners through its reverse trade missions, industry conferences, and expert workshops. USTDA has supported a number of activities in the energy, information and communications technology, transportation, healthcare infrastructure, and agribusiness sectors that enhance trade within sub-Saharan Africa and between the continent and the United States. A sampling of activities that support trade capacity building are below.

Affordable Internet Expansion Feasibility Study in Southern Africa

In 2021, USTDA awarded a grant to Jenny Internet (Pty) Ltd. to support the expansion of internet access across South Africa, Eswatini, Botswana, Mozambique, and the Democratic Republic of the Congo. The feasibility study is assessing the potential for wireless technologies to lower the cost of international data transit. The study is also supporting the expansion of last-mile connectivity infrastructure in economically and technically viable locations.

Côte d'Ivoire Rice and Grains Import Terminal Feasibility Study

In 2021, USTDA awarded a grant to HOTTER Côte d'Ivoire SARL, a leading cocoa and wholesale foods distributor, for a feasibility study to develop a port-based grain terminal that will enable bulk shipments of rice and grain imports from the United States for value-added processing in Côte d'Ivoire mills for local consumption and potential export to neighboring countries.

Ghana Cold Chain Facilities Network Feasibility Study

In 2021, USTDA awarded a grant to FreezeLink 3PL Limited to support the deployment of a temperature-controlled logistics network consisting of multiple storage facilities and services within Ghana. The envisioned cold chain network will facilitate the storage of imported and locally-produced refrigerated and frozen agricultural commodities, including meats, fruits, and vegetables, with a significant focus on poultry broiler meat. Implementation of the project would encourage safer commercial trade by deploying necessary food-safety technology as well as potentially providing needed cold storage for pharmaceutical products.

Côte d'Ivoire Port Logistics Reverse Trade Mission

In 2020, USTDA approved funding for a reverse trade mission to the United States that will connect delegates from Côte d'Ivoire, who are leading the country's port expansion and modernization efforts, to U.S. industry and government officials. This will complement the Millennium Challenge Corporation compact in Côte d'Ivoire, which includes a focus on transportation infrastructure and logistics around the Port of Abidjan.

U.S.-Africa Clean Energy Standards Program Technical Assistance

USTDA supports trade capacity building in Africa through its U.S.-Africa Clean Energy Standards Program (CESP), which shares U.S. commercial and industrial standards information and practices with government officials and industry in sub-Saharan Africa. CESP's goal is to ensure that decision makers who develop and implement standards, testing protocols and regulatory procedures for the energy sector, are informed of U.S. and internationally accepted industry-led standards. The program features U.S. private sector technology, expertise, best practices, and resources to carry out twelve technical workshops in sub-Saharan Africa in partnership with key stakeholder entities in country. To date, the CESP has delivered a total of 11 workshops, which included participation by more than 1,000 private and public sector participants from 24 countries in sub-Saharan Africa and the United States. These workshops addressed standards development, testing, and conformity topics of mutual interest to officials and the private sector from sub-Saharan Africa and the United States in the areas of electrical safety, solar mini-grids, grid interoperability, energy storage, smart metering, and cybersecurity.

Global Procurement Initiative – Botswana and Kenya

The Global Procurement Initiative (GPI) helps public officials in emerging economies better understand the total cost of ownership of goods and services for infrastructure projects. The GPI helps government procurement officials establish practices and policies that integrate life-cycle cost analysis and best-value determination in a fair, transparent manner. Adopting these standards improves governments' capacity to make better-informed decisions that consider all relevant costs of goods and services over their entire life cycle. This leads to smarter, longer-term investments with overall savings to the government, and also levels the playing field for U.S. firms in international tenders.

Botswana: USTDA signed a Memorandum of Understanding (MOU) with Botswana's Public Procurement and Asset Disposal Board (PPADB) in 2014, establishing Botswana as USTDA's first GPI partner country. Under the initiative, USTDA implemented an in-country training workshop and study tour to the United States for Botswanan procurement officials. USTDA also awarded a grant to fund two senior procurement advisors to assist the Ministry of Minerals, Energy and Water Resources in developing tenders for water procurements that more effectively incorporate value for money considerations. In 2019, USTDA renewed its partnership with the Government of Botswana and provided code of ethics training as well as launched life-cycle cost analysis trainings. In 2022, the GPI launched a virtual training series on best value in procurement to support the PPADB's change of role to a regulatory authority. Botswana has shared lessons learned and provided guidance to other GPI partner countries through its partnership with USTDA.

Kenya: USTDA signed an MOU under the GPI with the National Treasury of Kenya in August 2021. In 2019, USTDA brought a delegation of Kenyan procurement officials to the United States for an orientation visit on value-based procurement mechanisms. In March 2022, the GPI kicked off a virtual training series for nearly 80 public procurement officials and is planning an in-country workshop on best value and life-cycle cost analysis in Nairobi for fall 2022.

Chapter 6: The Status of Regional Integration Efforts

African governments have worked for decades to foster greater regional economic integration by linking the continent's largest economies with smaller countries, reducing tariff and non-tariff barriers, forming customs unions, harmonizing standards, streamlining the processes for moving goods across borders, and reducing visa and work permit requirements.

Up until recently, a great deal of this effort took place at the continent's regional economic communities (RECs). The launch of the African Continental Free Trade Area (AfCFTA) in May 2019 aims to build on this work and enhance continental integration, global competitiveness, and economic growth and diversification even further. To date, the AfCFTA agreement addresses overlapping membership of RECs by treating them as the building blocks of the AfCFTA. The African Union (AU) recognizes eight RECs: Arab Maghreb Union; Common Market for Eastern and Southern Africa; Community of Sahel-Saharan States; East African Community; Economic Community of Central African States; Economic Community of West African States; Intergovernmental Authority on Development; and Southern African Development Community.

The groundwork for the AfCFTA was laid decades ago with the Abuja Treaty, signed in 1991 and entered into force in 1994. The Abuja Treaty now serves as the foundational legal document for continent-wide regional integration and set in motion the operational plan to use the AU-recognized RECs as stepping stones to an African Economic Community. In January 2012, at its 18th Ordinary Session of the Assembly of Heads of State and Government, the AU decided to fast-track an AfCFTA and agreed to an Action Plan for Boosting Intra-African Trade, which set up a plan for negotiating such a continent-wide trade agreement. The AU first announced AfCFTA negotiations in 2015 and as of March 2022, almost all AU members are signatories; the only AU member country that has not signed the consolidated text of the agreement is Eritrea.

Following signature of the consolidated text, countries must also complete any remaining domestic processes necessary to their respective consent to be bound by the consolidated text. The AfCFTA entered into force on May 30, 2019, for the members that have deposited their ratification instruments to the AU Commission. As of the date of this publication, 41 AU members have both ratified the agreement through their countries' respective legislative processes and deposited their official documents with the AU Commission Chairperson. The AfCFTA Secretariat was inaugurated in August 2020 in Accra, Ghana to oversee the negotiation and implementation of this continental initiative.

Countries that have ratified the AfCFTA have agreed to reduce tariffs on 90 percent of goods tariff lines and have agreed to five priority service sectors (business services, communication, financial services, tourism/travel, and transport). However, the schedules of tariff concessions for liberalization and rules of origin are still under negotiation. The remaining ten percent of tariff lines are divided into excluded products (these will not exceed three percent of total tariff lines) and sensitive products (these are products that meet AfCFTA qualifications for food security, national security, fiscal revenue, livelihood, and industrialization and will not exceed seven percent of tariff lines). Each member country has the ability to determine the tariff lines included in the excluded and sensitive product categories. Trade under the agreement officially

began on January 1, 2021 but that has not yet happened in practice. In addition to protocols on goods, services and dispute settlement, the AfCFTA will include protocols on investment, intellectual property, competition, women and youth, and digital trade.

Membership of the African Continental Free Trade Area (AfCFTA)	
AfCFTA Signatories	All countries except Eritrea
Countries that have deposited their instruments of AfCFTA ratification	Kenya, Ghana, Rwanda, Niger, Chad, Eswatini, Guinea, Uganda, Côte d’Ivoire, South Africa, Sierra Leone, Mali, Senegal, Namibia, Congo Republic, Togo, Mauritania, Djibouti, Egypt, Ethiopia, The Gambia, Zimbabwe, Burkina Faso, São Tomé and Príncipe, Gabon, Equatorial Guinea, Mauritius, Somalia, Central African Republic, Angola, Lesotho, Tunisia, Cameroon, Nigeria, Malawi, Zambia, Algeria, Burundi, Seychelles, Tanzania, and Cabo Verde.

Chapter 7: Potential Free Trade Agreements with sub-Saharan Africa

Sec. 110 of the 2015 Trade Preferences Extension Act requires USTR to report to Congress identifying, evaluating, and describing plans for negotiating free trade agreements (FTAs) with prospective sub-Saharan African partners. These issues are addressed in this chapter.

The Office of the United States Trade Representative is committed to deepening economic cooperation with African nations and implementing the Administration's inclusive worker-centered trade policy. This includes policies and programs to ensure that all Americans and Africans can benefit from trade, while reinforcing the connections, opportunities, and well-being of the African Diaspora.

In recent years, a key priority for many sub-Saharan African countries with respect to new trade agreements has been the launch of the African Continental Free Trade Area (AfCFTA), which entered into force in May 2019. There is tremendous potential for the AfCFTA to enhance economic integration, competitiveness, and growth across the continent, and the U.S. Government has launched a range of activities to support the negotiations and the implementation of the agreement.

With regard to enhanced trade with the United States, most African countries have focused on advocating for an additional renewal of AGOA, as opposed to seeking other high standard reciprocal trade agreements. They state that expiration of AGOA in 2025 would pose a challenge to maintaining the investments and jobs generated by the program. Ambassador Tai has begun to engage with her counterparts on the future of the United States-sub-Saharan Africa trade relationship beyond the slated expiration of AGOA in 2025.

The Biden-Harris Administration undertook a review of the status of bilateral trade negotiations with Kenya that the previous administration initiated and that were constrained in the very early stages due to the COVID-19 pandemic. Ambassador Tai met on several occasions with her Kenyan counterpart, Cabinet Secretary of Ministry of Industrialisation, Trade and Enterprise Development Betty Maina, most recently on the margins of the World Trade Organization's 12th Ministerial Conference on June 13th. Ambassador Tai and Cabinet Secretary Maina agreed to explore pathways towards a deeper bilateral trade and economic relationship that: promotes sustainable and inclusive economic growth; benefits workers, consumers, and businesses (including micro-, small-, and medium-sized enterprises); and supports African regional economic integration. The Administration views this partnership approach as potentially serving as a model for use with other willing countries on the continent.

Separately, the Government of Mauritius has expressed its interest in pursuing an FTA with the United States, which USTR staff is reviewing.

Appendix 1: AGOA Eligible and Ineligible Countries

As of June 2022

AGOA Eligible Countries

- | | |
|--------------------------------------|---|
| 1. Angola | 20. Liberia |
| 2. Benin | 21. Madagascar |
| 3. Botswana | 22. Malawi |
| 4. Burkina Faso | 23. Mauritius |
| 5. Cabo Verde | 24. Mozambique |
| 6. Central African Republic | 25. Namibia |
| 7. Chad | 26. Niger |
| 8. Comoros | 27. Nigeria |
| 9. Republic of the Congo | 28. Rwanda (AGOA apparel benefits
suspended by POTUS effective July
31, 2018) |
| 10. Democratic Republic of the Congo | 29. Sao Tome & Principe |
| 11. Côte d'Ivoire | 30. Senegal |
| 12. Djibouti | 31. Sierra Leone |
| 13. Eswatini | 32. South Africa |
| 14. Gabon | 33. Tanzania |
| 15. The Gambia | 34. Togo |
| 16. Ghana | 35. Uganda |
| 17. Guinea-Bissau | 36. Zambia |
| 18. Kenya | |
| 19. Lesotho | |

Countries Not Eligible for AGOA

- | | |
|------------------------|-----------------|
| 1. Burundi | 8. Mauritania |
| 2. Cameroon | 9. Seychelles** |
| 3. Equatorial Guinea** | 10. Somalia* |
| 4. Eritrea | 11. South Sudan |
| 5. Ethiopia | 12. Sudan* |
| 6. Guinea | 13. Zimbabwe |
| 7. Mali | |

* Not reviewed for eligibility because Somalia and Sudan have not requested designation as an AGOA beneficiary country.

** Equatorial Guinea and Seychelles have graduated from GSP, so are not eligible for consideration for AGOA benefits.

Appendix 2: AGOA Eligibility Criteria Legislation

The eligibility criteria under AGOA are set forth in section 104(a) of AGOA and sections 502(b) and (c) of the Trade Act of 1974, as amended (containing the GSP eligibility criteria). Section 104(a) is provided below in its entirety. A summary of sections 502(b) and (c) is also included below.

Sec. 104. Eligibility Requirements

(a) In General -- The President is authorized to designate a sub-Saharan African country as an eligible sub-Saharan African country if the President determines that the country –

(1) has established, or is making continual progress toward establishing --

(A) a market-based economy that protects private property rights, incorporates an open rules based trading system, and minimizes government interference in the economy through measures such as price controls, subsidies, and government ownership of economic assets;

(B) the rule of law, political pluralism, and the right to due process, a fair trial, and equal protection under the law;

(C) the elimination of barriers to United States trade and investment, including by--

(i) the provision of national treatment and measures to create an environment conducive to domestic and foreign investment;

(ii) the protection of intellectual property; and

(iii) the resolution of bilateral trade and investment disputes;

(D) economic policies to reduce poverty, increase the availability of health care and educational opportunities, expand physical infrastructure, promote the development of private enterprise, and encourage the formation of capital markets through micro-credit or other programs;

(E) a system to combat corruption and bribery, such as signing and implementing the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions; and

(F) protection of internationally recognized worker rights, including the right of association, the right to organize and bargain collectively, a prohibition on the use of any form of forced or compulsory labor, a minimum age for the employment of children, and acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health;

(2) does not engage in activities that undermine United States national security or foreign policy interests; and

(3) does not engage in gross violations of internationally recognized human rights or provide support for acts of international terrorism and cooperates in international efforts to eliminate human rights violations and terrorist activities.

Summary of section 502(b) and (c) of the Trade Act of 1974 as amended.

The President shall not designate any country as a beneficiary country if:

The country is a Communist country, unless its products receive normal trade relations treatment, it is a member of the World Trade Organization and International Monetary Fund or is not dominated or controlled by international communism (Sec. 502(b)(2)(A));

The country is a party to an arrangement or participates in any action that withholds or has the effect of withholding vital commodity resources or raises their prices to unreasonable levels, causing serious disruption of the world economy (Sec. 502(b)(2)(B));

The country affords preferential treatment to products of a developed country which has, or is likely to have a significant adverse effect on U.S. commerce (Sec. 502(b)(2)(C));

The country has nationalized, expropriated or otherwise seized property, including trademarks, patents, or copyrights owned by a U.S. citizen without compensation (Sec. 502(b)(2)(D));

The country does not recognize or enforce arbitral awards to U.S. citizens or corporations (Sec. 502(b)(2)(E));

The country aids or abets, by granting sanctuary from prosecution, any individual or group which has committed international terrorism (Sec. 502(b)(2)(F));

The country has not taken or is not taking steps to afford internationally-recognized worker rights, including the right of association, the right to organize and bargain collectively, freedom from compulsory labor, a minimum age for the employment of children, and acceptable conditions of work with respect to minimum wages, hours of work and occupational safety and health (Sec. 502(b)(2)(G)).

The country has not implemented its commitments to eliminate the worst forms of child labor, as defined by the International Labor Organization's Convention 182 (Sec. 502(b)(2)(H); this provision was added by the Trade and Development Act of 2000 in Section 412).

Failure to meet criteria 4 through 8 may not prevent the granting of GSP eligibility if the President determines that such a designation would be in the national economic interest of the United States.

In addition, the President must take into account:

- A country's expressed desire to be designated a beneficiary country (Sec. 502(c)(1));
- The country's level of economic development (Sec. 502(c)(2));
- Whether other major developed countries extend preferential tariff treatment to the country (Sec. 502(c)(3));
- The extent to which the country provides "equitable and reasonable access" to its

markets and basic commodity resources and refrains from unreasonable export practices (Sec. 502(c)(4));

- The extent to which the country provides adequate and effective protection of intellectual property rights (Sec. 502(c)(5));
- The extent to which the country has taken action to reduce trade-distorting investment practices and policies and reduce or eliminate barriers to trade in services (Sec. 502(c)(6)); and
- Whether the country has taken or is taking steps to afford internationally recognized worker rights, (Sec. 502(c)(7)).

Appendix 3: GSP Eligibility Criteria

Bases for Ineligibility 19 USC 2462(b)(2) of the GSP statute sets forth the criteria that each country must satisfy before being designated a GSP beneficiary. These criteria are summarized below for informational purposes only. Please see the GSP statute for the complete text.

- 1) A GSP beneficiary may not be a Communist country, unless such country receives Normal Trade Relations (NTR) treatment, is a World Trade Organization (WTO) member and a member of the International Monetary Fund (IMF), and is not dominated or controlled by international communism;
- 2) A GSP beneficiary may not be a party to an arrangement of countries nor participate in actions the effect of which are (a) to withhold supplies of vital commodity resources from international trade or to raise the price of such commodities to an unreasonable level and (b) to cause serious disruption of the world economy;
- 3) A GSP beneficiary may not afford preferential treatment to products of a developed country that has, or is likely to have, a significant adverse effect on U. S. commerce;
- 4) A beneficiary may not have nationalized, expropriated or otherwise seized property of U.S. citizens or corporations without providing, or taking steps to provide, prompt, adequate, and effective compensation, or submitting such issues to a mutually agreed forum for arbitration;
- 5) A GSP beneficiary may not have failed to recognize or enforce arbitral awards in favor of U.S. citizens or corporations;
- 6) A GSP beneficiary may not aid or abet, by granting sanctuary from prosecution, any individual or group that has committed an act of international terrorism;
- 7) A GSP beneficiary must have taken or is taking steps to afford internationally recognized worker rights, including 1) the right of association, 2) the right to organize and bargain collectively, 3) a prohibition on the use of any form of forced or compulsory labor, 4) a minimum age for the employment of children, and a prohibition on the worst forms of child labor, and 5) acceptable conditions of work with respect to minimum wages, hours of work and occupational safety and health.
- 8) A GSP beneficiary must implement any commitments it makes to eliminate the worst forms of child labor.

Factors Affecting Country Designation

19 USC 2462(c) of the GSP statute sets forth the following criteria that the President must take into account in determining whether to designate a country as a beneficiary country for purposes of the GSP program. These criteria are summarized below for informational purposes only; please see the GSP statute for the complete text.

- 1) An expression by a country of its desire to be designated as a GSP beneficiary country;

- 2) The level of economic development, including per capita Gross National Product (GNP), the living standards of the inhabitants and any other economic factors that the President deems appropriate;
- 3) Whether other major developed countries are extending generalized preferential tariff treatment to such country;
- 4) The extent to which such country has assured the United States that it will provide equitable and reasonable access to its markets and basic commodity resources and the extent to which it has assured the United States it will refrain from engaging in unreasonable export practices;
- 5) The extent to which such country provides adequate and effective protection of intellectual property rights;
- 6) The extent to which such country has taken action to reduce trade distorting investment practices and policies, including export performance requirements, and to reduce or eliminate barriers to trade in services; and
- 7) Whether such country has taken or is taking steps to afford internationally recognized worker rights, including 1) the right of association, 2) the right to organize and bargain collectively, 3) freedom from compulsory labor, 4) a minimum age for the employment of children, and 5) acceptable conditions of work with respect to minimum wages, hours of work and occupational safety and health.

Appendix 4: Countries with AGOA Utilization Strategies

AGOA beneficiary countries that have completed national AGOA strategies in high-priority industries and products

AGOA beneficiary country	Strategy Year	Agricultural and food processing	Textiles, apparel, footwear, and leather products	Jewelry and mining	Handicrafts	Other light manufacturing
Botswana	2021*	•		•	•	
Eswatini	2021	•	•	•	•	
Ghana	2016	•	•	•	•	
Kenya	2018*	•	•		•	
Lesotho	2018*	•	•	•	•	
Madagascar	2015	•	•	•	•	
Malawi	2018	•	•	•		•
Mauritius	2013	•	•	•		•
Mozambique	2018	•	•	•		•
Namibia	2021	•	•	•	•	•
Rwanda	2016	•	•		•	
Senegal	2015	•	•		•	•
Sierra Leone	2019	•	•			
Tanzania	2016	•	•		•	
Togo	2017	•	•	•	•	
Zambia	2018*	•	•		•	

Source: Compiled from national AGOA strategy documents, including strategy document drafts.

* Strategies have been updated from a previous version.

Appendix 5: Country Membership in Regional Economic Communities

African Union (AU): All African Countries

Central African Economic and Monetary Community (CEMAC): Cameroon, Central African Republic, Chad, Republic of Congo, Equatorial Guinea, Gabon.

Common Market for Eastern and Southern Africa (COMESA): Burundi, Comoros, Democratic Republic of Congo, Djibouti, Egypt, Eritrea, Eswatini, Ethiopia, Kenya, Libya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Somalia, Sudan, Tunisia, Uganda, Zambia, Zimbabwe.

East African Community (EAC): Burundi, Democratic Republic of Congo**, Kenya, Rwanda, South Sudan, Tanzania, Uganda.

Economic Community of West African States (ECOWAS): Benin, Burkina Faso, Cabo Verde, Côte d'Ivoire, The Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, Togo.

Southern Africa Customs Union (SACU): Botswana, Eswatini, Lesotho, Namibia, South Africa.

Southern African Development Community (SADC): Angola, Botswana, Comoros, Democratic Republic of Congo, Eswatini, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Tanzania, Zambia, Zimbabwe.

West African Economic and Monetary Union (WAEMU): Benin, Burkina Faso, Côte d'Ivoire, Guinea-Bissau, Mali, Niger, Senegal, Togo.

** Democratic Republic of Congo joined the EAC in March 2022

Appendix 6: Goods Trade between the United States and sub-Saharan Africa

Goods Trade between the United States and sub-Saharan Africa

Billions of Dollars

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Total goods trade (exp+ imp)	28.3	24.0	32.5	44.4	60.6	71.3	81.8	104.7	62.0	82.1	95.5	72.1	63.3	52.3	36.9	33.7	39.0	40.9	36.7	32.7	44.8
Total U.S. goods exports	7.0	6.0	6.9	8.6	10.3	12.1	14.4	18.6	15.1	17.1	21.2	22.5	24.0	25.5	18.0	13.5	14.1	15.9	15.7	13.5	16.5
Total U.S. goods imports	21.3	17.9	25.6	35.9	50.3	59.2	67.4	86.1	46.9	65.0	74.3	49.6	39.3	26.8	18.8	20.2	24.9	25.1	21.0	19.2	28.2
Trade balance	-14.4	-11.9	-18.8	-27.3	-40.0	-47.1	-53.0	-67.5	-31.8	-47.9	-53.2	-27.1	-15.3	-1.3	-0.8	-6.7	-10.8	-9.2	-5.3	-5.7	-11.7
AGOA imports (incl. GSP)	8.2	9.1	14.1	26.6	38.1	44.2	51.1	66.3	33.7	44.3	53.8	34.9	26.9	14.2	9.3	10.4	13.7	12.0	8.4	4.2	6.7
AGOA oil imports	6.8	6.9	11.2	23.1	35.2	41.0	47.7	61.2	30.3	40.2	48.8	30.1	22.0	9.9	5.1	6.5	9.5	8.0	4.6	0.7	1.9
AGOA non-oil imports (incl. GSP)	1.4	2.2	2.9	3.5	2.9	3.2	3.4	5.1	3.4	4.0	5.0	4.8	4.9	4.4	4.1	4.2	4.3	4.0	3.8	3.4	4.8
AGOA apparel imports	0.4	0.8	1.2	1.6	1.4	1.3	1.3	1.1	0.9	0.7	0.9	0.8	0.9	1.0	1.0	1.0	1.0	1.2	1.4	1.2	1.4

Note: The table shows U.S. exports and imports from the 49 sub-Saharan African countries, and AGOA imports from the sub-Saharan African countries eligible for AGOA benefits.

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

Appendix 7: Cross-Border Services Trade between the United States and Africa

Services Trade between the United States and Africa

Billions of Dollars

		2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Africa	Exports of commercial services	5.45	5.47	5.05	5.32	5.87	6.29	8.02	8.93	10.14	10.55	11.88	12.08	13.49	13.56	13.81	14.08	12.64	14.40	15.39	14.88	11.00
Nigeria	Exports of commercial services	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0.92	0.84	1.28	1.23	1.39	1.64	1.82	2.15	2.33	2.46	2.20	2.17	2.19	2.08	1.30
South Africa	Exports of commercial services	1.60	1.40	1.30	1.19	1.41	1.58	1.82	2.13	2.18	2.36	2.43	2.74	2.79	2.75	2.83	2.82	2.61	2.62	2.61	2.63	1.87
Africa	Imports of commercial services	3.14	3.03	2.65	3.21	3.48	3.75	4.66	5.40	6.03	6.43	7.01	8.43	7.59	6.71	6.63	6.56	6.79	8.63	9.42	9.12	5.16
Nigeria	Imports of commercial services	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0.30	0.36	0.44	0.43	0.53	0.52	0.48	0.45	0.40	0.40	0.33	0.34	0.46	0.43	0.27
South Africa	Imports of commercial services	0.85	0.77	0.63	0.86	0.83	0.84	1.13	1.12	1.27	1.25	1.44	1.62	1.86	1.56	1.49	1.48	1.57	1.74	1.81	1.85	0.85

Notes: Commercial services exclude “government goods and services n.i.e.” n.a. = not available.

Data for Africa includes exports and imports of commercial services by both sub-Saharan Africa countries and the countries of North Africa. BEA does not publish discrete data on U.S. services trade with the sub-Saharan Africa.

Source: U.S. Department of Commerce, Bureau of Economic Analysis (BEA), “Table 2.3. U.S. Trade in Services, by Country or Affiliation and by Type of Service,” July 2, 2021. <https://apps.bea.gov/iTable/iTable.cfm?ReqID=62&step=1>.

Appendix 8: Inward and Outward Foreign Direct Investment (Stock) between the United States and sub-Saharan Africa

Investment between the United States and sub-Saharan Africa Billions of Dollars

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
U.S. Investment in Sub-Saharan Africa	9.0	9.5	11.8	11.9	11.8	15.3	18.4	21.3	25.7	33.2	33.0	29.7	34.1	37.5	29.4	34.0	36.2	32.6	31.3	33.3
Sub-Saharan Africa Investment in U.S.	2.2	2.2	2.2	2.4	2.3	1.9	1.0	1.9	1.4	2.5	1.5	3.7	1.6	1.6	4.2	4.6	5.6	5.0	9.0	9.4

Source: U.S. Department of Commerce, Bureau of Economic Analysis (BEA).

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