



BERRY & DONALDSON
(Pty) Limited
GLOBAL FREIGHT LOGISTICS
Established 1963

NEWS

28 May 2015

‘Look beyond Agoa for US market access’ - Amcham

Instead of looking at the new conditions and constraints imposed by the new African Growth and Opportunity Act (Agoa) – which has been extended for a further ten years – South Africa should consider how it can win more access to the United States for its companies by negotiating a free trade agreement.

This is the view of executive director of the American Chamber of Commerce in South Africa (Amcham SA), Carol O’ Brien, in response to a request by the United States (US) Senate that the office of the US trade representative launch a review of SA’s eligibility within 30 days of President Barack Obama signing the Agoa renewal bill into law – which he did earlier this month.

The Agoa renewal bill has been passed by the US Senate and must now be submitted to and voted on in the US House of Representatives. The Senate version includes a review process for South Africa that could find South Africa ineligible for inclusion in the Agoa expansion programme.

Concerns raised by the US Senate around SA’s eligibility include the anti-dumping duties against US bone-in chicken imports and the ongoing lessening of rights of foreign investors.

O’Brien told FTW Online that the loss of Agoa eligibility would not only have direct economic impact on the SA economy but would also send a negative signal to investors. She commented that Amcham SA was doing everything in its power to ensure that South Africa was included in the renewal of Agoa. “To stay competitive, SA would have to assess how to compete globally with other nations and use the Agoa benefits it may continue to receive. However, it should also rather focus on a much broader and stronger economic partnership with the US,” she said.

Senior economist at the Nedbank Group Limited, Nicky Weimar, noted: “The US remains, by miles and miles, the larger economy, the world’s richest consumer market and therefore the more powerful negotiator. There is considerable upside for South African companies to maintain good relations with the US.”

Davies is set to meet the US trade representative, Michael Froman, next week (4 and 5 June) to further discuss the conditions and constraints suggested in the new Agoa bill as well as to make another attempt to resolve the contentious poultry imports issue.

FTW www.ftwonline.co.za