

The Rwandan government has said the United States has the right to withdraw benefits of Africa Growth and Opportunity Act (AGOA), responding to the suspension of its eligibility for apparel exports.



In a statement issued on Tuesday, Kigali signaled that it would not reverse restrictions on importation of used clothes and shoes, including those from the United States.

“The notification by the United States on suspension of duty-free status for Rwandan apparel products under the African Growth and Opportunity Act (AGOA) follows a decision by East African countries to raise tariffs on second-hand clothing imports, in order to promote local manufacturing capacity in garment and other industries,” read the statement.

While the decision was agreed by members of the East African community, Kenya, Tanzania and Uganda have since succumbed to pressure, choosing the economic benefits that accrue under AGOA.

The AGOA trade program provides eligible sub-Saharan countries duty-free access to the United States on condition they meet certain statutory eligibility requirements, including eliminating barriers to U.S. trade and investment, among others.

It was enacted in the US in 2000 to run to 2015 and renewed to 2025.

“AGOA is a commendable unilateral gesture to African countries, including Rwanda, meant to promote trade and development through exports. The withdrawal of AGOA benefits is at the discretion of the United States,” the statement from the government said.

Washington had said the suspension of the benefits, instead of termination of Rwanda’s status as an AGOA beneficiary, would allow for continued engagement with the aim of restoring market access and thereby bringing Rwanda into compliance with the AGOA eligibility requirements.

In 2016, Rwanda increased the tariffs on imported used clothes from \$0.20 to \$2.50 per kilo with an intention of eventually phasing out the importation. The government argues that the move will boost its local manufacturing sector.

