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**HUB**

## Supporting Madagascar to Benefit from African Growth and Opportunity Act (AGOA) Exports



65% of employees at World Knits Madagascar (pictured above) are women. AGOA increases the competitiveness for sourcing apparel from countries like Madagascar, which increases formal employment opportunities for women.

### **Madagascar (in red, below):**

- Regained AGOA eligibility in June 2014
- From 2001-2009, Madagascar was a top exporter to the U.S. under AGOA, averaging \$312M a year in exports.



### **OVERVIEW**

President Obama reinstated Madagascar's AGOA eligibility in June 2014, after nearly five years of AGOA suspension following the coup in 2009. The decision recognized Madagascar's return to democratic rule, as well as President Rajaonarimampianina's commitment to promote transparency, combat corruption, and rebuild Madagascar's economy. From 2001-2009, Madagascar was a top exporter to the U.S. under AGOA, averaging \$312M a year in exports.

Madagascar has roared back to action since AGOA reinstatement. It received the Federal Register Board's re-activation of the apparel visa in December 2014. In the first two months of 2015, three companies exported nearly \$2 million of apparel. In the third month, another three companies joined to bring the export total to more than \$3 million. Groupement des Entreprises Franches et Partenaires (GEFP – Association of Free Trade Zone Enterprise and Partners) anticipates that AGOA reinstatement will bring 80,000 new jobs, with potential to increase up to 200,000 new jobs.

The USAID East Africa Trade and Investment Hub (the Hub) promotes two-way trade with the U.S. under AGOA and facilitates investment and technology to drive East African trade growth intra-regionally and to global markets.

The Hub is the U.S. Government's flagship project under the Trade Africa initiative.

### **USAID HUB ASSISTANCE**

In June 2014, in anticipation of being granted AGOA eligibility, the Hub teamed up with Madagascar's GEFP to lead a workshop, "How To Approach the U.S. Market: Opportunities for Madagascar." Immediately following Madagascar's AGOA eligibility reinstatement, the Hub held an informational seminar on AGOA for about 200 participants.

### **Achievements through USAID assistance**

- Led workshop “How to Approach the U.S. Market: Opportunities for Madagascar”
- Held an informational seminar on AGOA, following reinstatement, for about 200 participants.
- Trained 11 Malagasy customs officials on AGOA visa enforcement
- Prepared Madagascar National AGOA Strategy
- Supported three Malagasy companies participation in the February 2015 MAGIC trade show

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The Hub continued AGOA workshops and engagement with Malagasy AGOA stakeholders from November 2014 to March of 2015 in preparation for a new Madagascar National AGOA Strategy. This strategy is now final after stakeholder engagement and review.

The Hub supported three Malagasy companies to participate in the February 2015 MAGIC trade show. With the Hub’s introduction, Madagascar’s Presidential Special Advisor was invited to participate at the next MAGIC show in August 2015.

USAID developed an inter-agency agreement with the U.S. Customs and Border Protection, and with the Hub’s logistical support, trained 11 Malagasy customs officials on AGOA visa enforcement in early May 2015.

In July 2015, the Hub created a video to promote AGOA-related investment and sourcing in Madagascar. It will be shown at trade shows to potential buyers and shared with the wider cotton, textile and apparel industry.



[http://www.eatradehub.org/video\\_opportunities\\_for\\_sourcing\\_in\\_africa\\_spotlight\\_on](http://www.eatradehub.org/video_opportunities_for_sourcing_in_africa_spotlight_on)