

May 15, 2026

The Honorable Jeffrey Goettman
Deputy United States Trade Representative
Office of the U.S. Trade Representative
600 17th Street NW
Washington, DC 20508

Re: NRF Comments – Request for Comments on the Modernization of the African Growth and Opportunity Act (Docket Number USTR-2026-0166)

Dear Deputy United States Trade Representative Goettman,

The National Retail Federation appreciates the opportunity to provide comments in response to the Office of the United States Trade Representative's request for information on the modernization of the African Growth and Opportunity Act. NRF strongly supports a timely long-term renewal of AGOA and encourages targeted modernization to improve utilization, expand trade beyond a limited set of countries and sectors, and strengthen the program's contribution to U.S. economic and national security objectives.

Introduction

[NRF](#) passionately advocates for the people, brands, policies and ideas that help retail succeed. Retail is the nation's largest private-sector employer, contributing \$5.3 trillion to annual GDP and supporting one in four U.S. jobs — 55 million working Americans. NRF empowers the industry that powers the economy. For over a century, NRF has been a voice for every retailer and every retail job, educating, inspiring and communicating the powerful impact retail has on local communities.

Retailers rely on predictable, transparent and enforceable trade rules to make long-term sourcing and investment decisions. A modernized AGOA should preserve the program's strategic value while addressing practical barriers that have constrained diversification, limited two-way commercial growth, and increased cost and uncertainty for businesses and consumers. Providing for a long-term renewal, a minimum of 15 years, will provide the necessary stability for AGOA as well as provide enough time for any modernization efforts to take hold and for new production to become established.

I. Provide Eligibility Stability and Review Predictability

Retail sourcing, supplier development and compliance programs require multi-year investment. Short renewal horizons and unpredictable changes in AGOA beneficiary eligibility can deter long-term commitments, disrupt established sourcing and supplier relationships, and undermine the program's key goal of development through trade not aid. Modernization of the

program should maintain accountability while reducing avoidable commercial disruption by increasing transparency, notice and predictability in reviews and transitions.

To promote stable commercial planning while preserving the ability to respond to serious concerns, USTR should consider the following approaches:

- Create a more predictable, risk-based eligibility review process that gives stable, well-performing beneficiaries greater certainty while preserving the ability to act quickly in response to serious human rights, governance or national security concerns.
- Establish a longer, more regular eligibility review cycle, rather than annual reviews. This would provide greater certainty for U.S. importers while preserving the ability to conduct ad hoc, out-of-cycle reviews where necessary.
- Adopt a phased or tiered approach to graduation and reciprocity that avoids abrupt loss of benefits, includes clear milestones and provides sufficient advance notice for importers, suppliers and workers to adjust.
- Establish objective reinstatement pathways so governments, suppliers and U.S. importers understand required corrective actions and can plan accordingly.

II. Strengthen Rule of Law Through Clear, Objective and Enforceable Eligibility Criteria

Unclear or inconsistently applied eligibility criteria increase country risks and complicates long-term sourcing and investment decisions. Durable commercial relationships depend upon legal and regulatory environments that provide basic predictability.

AGOA modernization should strengthen transparency and enforceability by:

- Establishing clear, measurable eligibility standards tied to rule-of-law indicators relevant to commercial activity, including contract enforceability, predictable regulatory treatment, protection of intellectual property, customs transparency and non-discriminatory treatment of foreign businesses and investors.
- Using regular, data-driven assessments of beneficiary country performance against those standards.
- Applying credible and timely enforcement where criteria are not met, while favoring targeted, product-specific, sector-specific or graduated remedies before full country termination where feasible.
- Providing clear reinstatement criteria to reduce uncertainty for businesses and incentivize corrective action by beneficiary governments alongside public reporting on progress made toward achieving criteria.

III. Address Non-Tariff Barriers and Improve Trade Facilitation

Tariff preferences alone are insufficient as a means to expand trade if non-tariff barriers and border friction prevent goods from moving in a predictable and seamless manner. In many African markets, consumers have strong demand for a broad range of affordable, high-quality products, including food and everyday household goods. Avoidable barriers affecting food and agricultural products — such as labeling-related shipment detentions, sanitary and phytosanitary certification requirements, valuation disputes, port delays and sector-specific quotas — can limit

product availability, raise costs for consumers and impede commercially viable trade flows. Modernization should therefore pair market-access benefits with practical steps to improve trade facilitation and reduce unnecessary NTBs.

NTBs, customs delays, port inefficiency, standards friction and opaque import procedures add cost and uncertainty for U.S. exporters and U.S. importers sourcing from Africa. AGOA modernization should emphasize practical utilization tools by:

- Encouraging beneficiary countries, with U.S. technical assistance where appropriate, to reduce non-tariff barriers that increase cost or delay, including opaque customs procedures, inconsistent standards or labeling rules, unnecessary fees and charges, and avoidable restrictions affecting food and agricultural products.
- Strengthening sanitary and phytosanitary (SPS) and technical barriers to trade (TBT) cooperation to reduce barriers to U.S. agricultural, food and consumer goods exports.
- Prioritizing customs modernization, port efficiency, digitization and transparent border procedures as core AGOA utilization tools.

IV. Incentivize Manufacturing, Supply-Chain Diversification and U.S. Job Creation

Sub-Saharan Africa represents a long-term opportunity for supplier diversification in commercially relevant retail categories, including apparel, food and agricultural products, home goods and everyday household basics. Diversification supports resilience and affordability by reducing concentration risk and expanding sourcing options. Realizing that opportunity requires compliance alignment, logistics reliability and supplier capability development, all of which depend on stable program rules and effective implementation.

AGOA utilization remains concentrated in a limited number of countries and sectors. Modernization should encourage diversification into commercially relevant categories while supporting U.S. competitiveness, retail affordability and domestic employment in logistics, distribution, compliance, technology and related services.

USTR should consider:

- Prioritize capacity building and trade facilitation in categories with scalable retail relevance, including apparel, home textiles, processed food and agricultural products, light consumer goods, household basics and selected manufactured products.
- Encourage more value-added production in Africa while maintaining safeguards against obvious third-country transshipment or abuse.
- Create flexible, incentive-based mechanisms that encourage greater use of U.S.-origin inputs, services and technology in AGOA supply chains, including agricultural inputs, packaging, logistics, cold chain, compliance tools, retail systems and warehouse equipment.
- Ensure any changes to sourcing or origin rules are phased in gradually, with sufficient transition periods and advance notice, so that importers and African suppliers can adjust production, compliance systems and sourcing strategies without undermining current trade flows.

- Consider approaches that support regional value chains, including recognition of qualifying African regional inputs where appropriate, to help build greater production depth on the continent and reduce supply-chain concentration.

Third-Country Fabric (Third-Party Fabric) Is Essential to Apparel Utilization and U.S. Importers

For many AGOA-eligible apparel producers, the ability to use third-country fabric is a practical prerequisite to participation because local and regional textile inputs are not always available at the required scale, quality, price or lead time. The third-country fabric provision has enabled African cut-and-sew industries to develop, supports women's employment and industrial upgrading, and provides U.S. retailers with commercially viable, diversified sourcing options. Maintaining this flexibility — while strengthening verification and enforcement against transshipment and circumvention — helps ensure that origin rules promote real production and jobs in beneficiary countries rather than unintentionally excluding capable manufacturers.

USTR should consider:

- Preserving and providing long-term certainty for the third-country fabric provision, including clear rules of origin guidance and modern compliance tools (e.g., risk-based verification, supply-chain documentation standards and targeted enforcement) to deter transshipment without disrupting legitimate trade.
- Avoiding hard mandates that would make sourcing commercially unworkable or undermine AGOA utilization.
- Recognize that diversified sourcing from Africa can reduce concentration risk, improve resilience, support U.S. retail and logistics jobs, and help preserve affordable product options for American consumers.

V. Link AGOA to Development Finance, Supplier Readiness and Enabling Infrastructure

Supplier competitiveness depends on the broader ecosystem around production: reliable infrastructure, workforce capability, processing and packaging capacity, cold chain, traceability and the ability to meet U.S. health and safety standards at scale. Connecting AGOA preferences to targeted development finance and technical assistance can translate tariff benefits into durable commercial relationships that grow African supplier capacity while expanding opportunities for U.S. inputs, equipment, logistics, technology and services.

Supplier competitiveness depends not only on final assembly capacity, but also on the broader production ecosystem — including spinning, fabric production, synthetic raw materials, hardware, trims, automation and reliable industrial infrastructure. In food and agriculture, promising supplier relationships similarly depend on clear import protocols, farm and facility readiness, processing and packaging capacity, cold chain reliability and traceability systems that allow products to meet U.S. requirements at scale. These are not abstract development needs; they are the practical conditions that determine whether U.S. retailers can build durable sourcing relationships with African suppliers.

AGOA preferences are only commercially meaningful if suppliers can meet U.S. standards, move goods reliably and scale production. Many underutilized sourcing opportunities are constrained less by tariff treatment than by infrastructure, financing, compliance and logistics gaps.

A modernized AGOA should better connect tariff preferences with U.S. government tools that build usable sourcing capacity by:

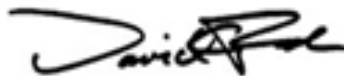
- Directing the U.S. International Development Finance Corporation, Ex-Im Bank, the Department of Commerce, United States Department of Agriculture, the United States Trade and Development Agency, and other related agencies to prioritize projects that improve export readiness and two-way trade.
- Supporting cold chain, warehousing, port and transport upgrades, digital customs systems, supplier financing, factory expansion and standards compliance.
- Using technical assistance to help suppliers meet U.S. product safety, traceability, labeling, labor and customs requirements.
- Supporting sector-specific production ecosystems, including upstream inputs, processing, packaging, factory capabilities, traceability systems and workforce development, so African suppliers can compete at commercial scale.
- Encouraging public-private partnerships that translate AGOA eligibility into commercially viable sourcing relationships.

Conclusion

NRF and its members strongly support renewal of AGOA. We urge USTR and Congress to quickly provide a long-term renewal, minimum 15 years, and modernize the program in ways as outlined above. As retailers seek to make long-term sourcing decisions, they need continued predictability as contracts and purchasing decisions are made months in advance. The updates as described would improve utilization, encourage investment and ensure AGOA continues to advance U.S. economic and security interests while supporting sustainable growth in beneficiary countries.

NRF appreciates the opportunity to provide comments on this matter. If you have any questions, please contact me or [Jonathan Gold](#), NRF's vice president of supply chain and customs policy.

Sincerely,



David French
Executive Vice President
Government Relations