

US intends to suspend South Africa's agricultural product from AGOA

President Obama [informed congress](#) of the intention to suspend the application of duty-free treatment to all AGOA-eligible agricultural products from South Africa on 5 November 2015. While this development is not entirely unexpected, it is disappointing that issues around the animal health and food safety regulations between South Africa and the USA remained unresolved at the set deadlines.



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The notification provides a 60 day period before the duty-free quota-free suspension of South Africa's agricultural exports to the USA is actually implemented. Agbiz has learnt that if the South African government manages to resolve outstanding animal health issues for poultry, pork, and beef before the 60 days lapse, there may still be an opportunity for this suspension to be withdrawn. Given this possibility, we take note of the acknowledgement by President Obama of South Africa's willingness to resolve the outstanding issues

"Agbiz calls on government to push beyond current efforts to ensure that the impending suspension of South Africa's duty-free quota-free access of agricultural products is avoided. Alternatively government needs to be transparent in its dealings with the private sector and explain the legitimate reasons for the impasse, if there are any," Dr John Purchase, CEO of Agbiz, said today.

No such reasons were forthcoming at the NEDLAC Trade and Industry Chamber Strategic Session held this week, despite questions posed to the Minister of Trade and Industry, Dr Rob Davies, by Agbiz on the matter. It was in fact indicated that good progress was being made in negotiations on the issue and that government was confident that an agreement was imminent.