



FOR IMMEDIATE RELEASE

August 13, 2012

Contact: Communications Office

(202) 224-4515

BAUCUS' BILL SUPPORTING JOBS, STRENGTHENING TRADE TIES WITH SUB-SAHARAN AFRICA AND CENTRAL AMERICA SIGNED INTO LAW

Law Also Renews Import Sanctions Against Burma

Washington, DC – Legislation authored by Senate Finance Committee Chairman Max Baucus (D-Mont.) supporting jobs and strengthening U.S. trade ties with sub-Saharan Africa and Central America was signed into law on Friday. [Senator Baucus led the Senate](#) to pass the law earlier this month, which extends a key provision of the African Growth and Opportunity Act (AGOA) and makes non-controversial technical changes to the Dominican Republic-Central America-United States Free Trade Agreement (CAFTA-DR) textiles and apparel provisions. In addition to the AGOA and CAFTA-DR provisions, the law includes a one-year renewal of import sanctions against Burma and a three-year reauthorization of the annual fast-track process that allows Congress to renew import sanctions against Burma.

“This law supports job creation and boosts our economy here at home while continuing to expand U.S. trade by building ties with Africa and Central America,” Senator Baucus said. **“Burma has taken important steps towards democracy, and by renewing the Burma trade sanctions, we can ensure political and economic progress continues.”**

The law extends until September 2015 the AGOA provision allowing duty-free access to the U.S. market for apparel produced in sub-Saharan African countries made from third-country fabric, or fabric originally produced anywhere in the world, rather than from AGOA beneficiary countries or from the United States. The provision was previously set to expire this fall. Because almost 95 percent of apparel imported from AGOA nations is made with third-country fabric, allowing the provision to expire would seriously undermine AGOA’s development goals. The law also adds the Republic of South Sudan to the list of sub-Saharan nations eligible to qualify for duty-free access to the U.S. market for certain products, including apparel, footwear and textiles. That duty-free market access stimulates economic growth, boosts positive business activities and encourages integration among sub-Saharan economies. Over the last decade, six of the world’s ten fastest-growing economies were in sub-Saharan Africa.

The law makes technical corrections and modifications to the rules of origin for certain textile and apparel products under CAFTA-DR which expands trade and creates jobs in the United States and the CAFTA-DR countries. These changes were agreed to by Trade Ministers during the February 2011 CAFTA-DR Free Trade Commission meetings. The United States is the last country to have approved the changes this bill codified, and the law ensures that all the CAFTA-DR countries can benefit from these changes.

The law also includes a one-year renewal of import sanctions against Burma and a three-year reauthorization of the annual fast-track process that allows Congress to renew import sanctions against Burma. While there have been encouraging developments in Burma, additional political and economic reforms are required to meet the goals set forth in existing Burma sanctions legislation. The law leaves intact the Administration’s authority to waive or terminate the import sanctions.

###