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BAUCUS, HATCH INTRODUCE LEGISLATION TO CONTINUE BUILDING TRADE RELATIONSHIPS WITH SUB-SAHARAN AFRICA

*Finance Leaders' Bill Would Strengthen the African Growth and Opportunity Act,
Help Promote U.S. Job-Creating Economic Ties with African Nations*

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) and Ranking Member Orrin Hatch (R-Utah), along with ten additional Senators, introduced legislation today to continue building trade relationships between the U.S. and sub-Saharan nations by extending the life of the African Growth and Opportunity Act (AGOA). The bill would extend the provision that allows least-developed countries in sub-Saharan Africa to use fabrics from any country to produce apparel, which then receives duty-free access to the U.S. market. The bill would also take steps to build a positive trade relationship with South Sudan, which split from Sudan and formed as a new nation earlier this year, by adding it to the list of countries that can qualify for AGOA benefits. Because AGOA has a track record of increasing bilateral trade between the U.S. and sub-Saharan Africa since its enactment in 2000, the senators' proposal to extend the third-country fabric provision and add South Sudan to AGOA's list of included nations would open new doors to American businesses and help create jobs here at home.

"Building positive trade relationships with African countries means new opportunities and more jobs for American ranchers, farmers, businesses and workers. This program has a track record of success promoting trade and strengthening our ties with Africa, and we need to make sure that success continues," Baucus said. **"By reducing the cost of African-made apparel for U.S. retailers, we can boost our economy and create jobs here at home."**

"International trade is an effective way of helping developing countries. By extending the third-country fabric provision and adding South Sudan to the list of potential beneficiaries we are strengthening AGOA and helping to promote much needed economic growth in sub-Saharan Africa through trade," said Hatch. **"I'm proud to have worked with Chairman Baucus on this measure, which will build upon our relationship with sub-Saharan nations and foster prosperity through strengthened trade relations."**

The bill would extend until September 2015 the AGOA provision allowing sub-Saharan African countries to export apparel made from fabric originally produced anywhere in the world, rather than from within those countries themselves or from the U.S. The provision is currently set to expire next fall. Because such a large proportion of apparel imported from AGOA nations is made with fabric from other countries, allowing the third-country provision to expire would seriously undermine the development goals of AGOA.

The senators' bill would also add South Sudan to the list of 48 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 south-Saharan economies. Over the last decade, six of the world's ten fastest-growing economies were in sub-Saharan Africa. Strong economic ties with nations in that increasingly-lucrative region can boost our exports and create American jobs.

The ten senators cosponsoring the Baucus-Hatch bill are: Foreign Relations Committee Chairman John Kerry (D-Mass.) and Ranking Member Dick Lugar (R-Ind.); Senator Ron Wyden (D-Ore.); Senator Roy Blunt (R-Mo.); Senator Dick Durbin (D-Ill.); Senator Scott Brown (D-Mass.); Senator Ben Cardin (D-Md.); Senator Johnny Isakson (R-Ga.); Senator Chris Coons (D-Del.); and Senator John Thune (R-S.D.).

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