MINISTRY OF INVESTMENTS, TRADE AND INDUSTRY
OFFICE OF THE CABINET SECRETARY

REPUBLIC OF KENYA

PRESS RELEASE

Status Update on The Extension of AGOA

Nairobi: The Government of Kenya welcomes the US Senate approval of the extension of the Africa Growth and Opportunities Act (AGOA) extension. Once successfully approved, the Act will secure duty-free access for eligible Sub-Saharan African exports to the United States market through December 31, 2028. This extension will be a highly significant development for Kenya's economy as well as the eligible countries in Sub-Saharan Africa, in providing predictability for our manufacturers. For Kenya in particularly, the apparel sector constitutes 70% of Kenya's total exports to the United States of America (USA).

The provision for the continuation of the third-country fabric provision protects our booming apparel sector. This crucial rule allows firms within our Export Processing Zones (EPZs) to competitively source raw materials, such as yarns and fabrics, from non-AGOA countries, add substantial value through local manufacturing, and export the finished garments duty-free.

The Act's provision for retroactive duty refunds is highly encouraging. Exporters who shipped goods to the U.S. during the gap between the program's previous expiration on September 30, 2025, and the enactment of this bill will not face financial penalties. The Ministry will work closely with our exporters to facilitate the filing of requests with U.S. Customs and Border Protection (CBP) to ensure all eligible duties paid during this window are refunded within the mandated 90 days.

The United States remains one of Kenya's key strategic partners. The extension of AGOA guarantees Kenyan enterprises continued exports of thousands of product lines to the U.S. without the burden of tariff barriers.

Kenya has consistently utilized the opportunities presented by AGOA, using it as a catalyst for industrialization and job creation. Our latest economic data underscores the vitality of this trade pact:

- **Textiles and apparel:** Kenya remains the largest beneficiary of AGOA in the garment sector, with over 70% of our total textile and apparel exports destined for the U.S. market.
- **Record export value:** According to the 2025 Kenya National Bureau of Statistics (KNBS) Economic Survey, our apparel exports under AGOA reached an impressive KES 60.6 billion (approximately USD 470 million) in 2024. This represents a remarkable 19% growth from the KES 50.8 billion recorded in 2023.
- **Job and wealth creation:** The apparel sector under AGOA supports over 66,000 direct jobs in Kenya and generated approximately KES 60.6 billion (around $470 million) in 2024 alone. The extension ensures that the factories, equipment, and training invested in these EPZs continue to yield returns rather than remain idle.
- **Agricultural export:** Beyond apparel, AGOA continues to boost our agricultural exports by providing tariff-free access to the US market for premium Kenyan products such as cut flowers, tea, coffee and macadamia nuts.

The renewed trade predictability through to 2028 aligns perfectly with Kenya's commitment to supporting local manufacturers to increase their production capacity and diversify Kenya's export portfolio under the 6,000+ eligible product lines.

The Ministry of Investments, Trade and Industry will continue to actively engage the US Government to secure mutually beneficial bilateral trade and investment terms. We will support all exporters in capitalizing on this renewed opportunity. We urge the Kenyan private sector to accelerate production, invest boldly, and take full advantage of this preferential market access to the world's largest consumer market.

Hon. Lee Kinyanjui, EGH
Cabinet Secretary, Ministry of Investments, Trade and Industry
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