

**ZAMBIA TRADE AND INVESTMENT ENHANCEMENT  
PROJECT (ZAMTIE)**

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Implementing Contractor: Nathan Associates Inc.  
2101 Wilson Boulevard, Suite 1200  
Arlington VA 22201

Subcontractors: Independent Management  
Consulting Services Ltd.  
Aurora Associates International, Inc  
Cargill Technical Services  
JE Austin Associates, Inc.

**ZAMBIAN EXPORT PRODUCTS RESEARCH STUDY TO ASSESS  
USA AGOA IMPORT REGULATORY REQUIREMENTS**

Prepared by

**Mike Blakeley**

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55 Independence Avenue,  
PO Box 39398, Lusaka, Zambia  
Tel: (260-1) 251177 or 251127  
Fax: (260-1) 251141, Email: ronblack@coppernet.zm



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## Introduction

In late 2000, Nathan Associates Inc. was awarded a contract to manage the Zambia Trade and Investment Enhancement Activity (ZAMTIE), a project of the United States Agency for International Development (USAID). Nathan is assisted by four subcontractors—Independent Management Consulting Services, Ltd.; Aurora Associates International, Inc; Cargill Technical Services; and JE Austin Associates, Inc. The goal of the project is to stimulate trade and investment and thereby assist USAID in achieving its first strategic objective (SO1), which is to increase rural incomes of selected groups. ZAMTIE has three objectives: (1) reduce barriers to trade and investment, (2) build capacity in public and private sector organizations to facilitate economic growth and reduce poverty, and (3) foster linkages to optimize rural income-generating investment and trade opportunities between and among producers, suppliers, processors, traders, service providers, and consumers within and outside of Zambia. Focusing on agriculture, agribusiness, natural resources, and tourism, the project is also demand-driven, responding to the needs and requests of clients in the public and private sectors.

The Export Board of Zambia and Ministry of Commerce, Trade and Industry will conduct provincial awareness campaigns on the benefits and opportunities offered under the African Growth and Opportunity Act (AGOA). USAID, through the ZAMTIE project, has agreed to support four of these workshops directly and provide technical support for all of the workshops through the provision of resource persons and information.

It is in this context that the Export Board of Zambia (EBZ) requested that ZAMTIE commission a research study to collect detailed information on U.S. market requirements for high export potential Zambian products. It is felt that this study will add significant value to the awareness campaign and allow the Export Board to better focus support in areas of high potential, thereby maximizing the use of scarce resources.

Nathan Associates Inc., headquartered in Washington, conducted the study. The study provides the following information, as outlined in the terms of reference:

- Information on regulations and any other statutory requirements that need to be followed before Zambian exporters can access the U.S. market under AGOA for selected products. These regulations pertain to trade, such as normal import procedures, and U.S. government agencies responsible for enforcing import regulations.
- Information on the level of tariffs charged on each product before and after AGOA duty preferences to identify the cost benefit.
- Data on current U.S. imports and an indication of the size of the market for selected Zambian products. This information could be used to identify countries for potential sources of investment and joint ventures in marketing and production.

- Information on US companies already importing from Africa, trade associations, and product specific importers for selected Zambian products. Helpful guidelines on exporting and suggestions on how to market to US firms will complement this information.

This report summarizes findings clearly and succinctly and will provide a basis for a brochure or information pamphlet for distribution to all Zambian exporters.

# United States Import Regulations and Procedures

## REGULATORY AGENCIES FOR IMPORTS INTO THE UNITED STATES

Several agencies of the United States government share the responsibility of regulating imports into the country. All imports must undergo a process referred to as “clearing” United States Customs for entry into United States commerce. This process can involve several agencies and may include inspections of the product. The U.S. agencies responsible for regulating imports and their corresponding areas of responsibility are described in this section. Contact information for U.S. regulatory agencies is presented in Appendix A.

### The Food and Drug Administration

The Food and Drug Administration (FDA) is the scientific regulatory agency responsible for the safety of all foods (except meat, poultry, frozen and dried eggs and the labeling of alcoholic beverages and tobacco), cosmetics, drugs, biologics, medical devices, and radiological products.

FDA activities are directed toward the health of the United States against impure, unsafe, and fraudulently labeled foods, drugs, medical devices, cosmetics, and potential hazards from radiation-emitting equipment. FDA recognizes that it is not possible to grow, harvest, and process crops that are totally free of natural defects; therefore, the Agency has published *The Food Defect Action Levels*. These levels are established on the basis of no hazard to health. Any products that might be harmful to consumers are subject to regulatory action whether or not they exceed the defect levels. The food safety standards that apply to domestically produced foods also apply to imported foods.

### U.S. Department of Agriculture

The U.S. Department of Agriculture’s (USDA) regulatory activities are primarily enforced by the Animal and Plant Health Inspection Service (APHIS), the Food Safety Inspection Service (FSIS), Grain Inspection Packers and Stockyards Administration (GIPSA)/Federal Grain Inspection Service (FGIS), and Agricultural Marketing Service (AMS). In addition, the U.S. Customs Service participates in this effort by detaining of imports when USDA requirements have not been met.

#### *The Animal and Plant Health Inspection Service*

The Animal and Plant Health Inspection Service (APHIS) is responsible for enforcing regulations governing the import and export of plants and animals and certain agricultural products. It issues regulations and conducts control programs to protect and improve animal and plant health for the benefit of people and their environment. In cooperation with State governments, APHIS administers Federal laws and regulations pertaining to animal and plant health and quarantine, humane treatment

of animals, and the control and eradication of pests and diseases. It defends U.S. borders against entry of foreign pests and diseases, protects endangered species, makes sure veterinary biologics are safe, pure, potent, and effective, and ensures the safety of agricultural biotechnology products.

Within APHIS, the ***Plant Protection and Quarantine (PPQ) Program*** conducts programs and activities at various U.S. ports to prevent the introduction and spread of foreign pests. APHIS Veterinary Services (VS) has responsibility for protecting the health of livestock, poultry, and other animals. The laws APHIS enforces are numerous and varied. Some of the most important statutes and regulations are Plant Quarantine Act; Plant Protection Act; Honey Bee Act; Federal Seed Act; Animal Import-Export Regulations (19 CFR 1306, 21 USC 103, 21 USC 105, and 21 USC 134); Endangered Species Act (Plants); Swine Health Protection Act; Virus Serum Toxin Act. When feasible and volume warrants, foreign governments and exporter groups may request preclearance inspection and/or treatment by APHIS officers in the country of origin. Preclearance can ensure that the risk of introducing foreign pests into the United States is reduced.

**CITIES** listed animals and animal products transported to the U.S. from the jungles, seas, and forests around the globe originate from a multitude of animals and animal products that are protected by the CITES treaty. These creatures and wildlife products, like furs, Barbary apes, and python-leather handbags, arrive daily at America's ports, where they are inspected by Fish and Wildlife Services (FWS) officers. FWS wildlife inspectors determine whether or not the importation is legal and either releases the cargo or takes legal action against the importer. For more information about importing CITES-listed animals, call the FWS at (703) 358-2104. If you are in the United States you may call (800) 358-2104.

### **Environmental Protection Agency**

The Environmental Protection Agency (EPA) coordinates governmental action on behalf of the environment through integrating research, monitoring, standard setting, and enforcement activities. Among its many duties, EPA regulates pesticides. Through the ***Office of Pesticide Programs (OPP)*** EPA determines the safety of new pesticide products, sets tolerance levels for pesticide residues in foods, which FDA then enforces, and publishes directions for the safe use of pesticides. EPA also establishes water quality standards, including the chemical content of drinking water. FDA uses these standards as guides in its regulation of bottled water sold in interstate commerce for human use.

### **Bureau of Alcohol, Tobacco and Firearms**

The Bureau of Alcohol, Tobacco and Firearms (ATF) is an agency of the Department of the Treasury, responsible for enforcing the laws that cover the production, distribution and labeling of alcoholic beverages, except wine beverage that contain less than 7 percent alcohol, which are the responsibility of FDA. ATF and FDA sometimes share responsibility in cases of adulteration, or when an alcoholic beverage contains food or color additives, pesticides or contaminants.

### **U.S. Custom Service, U.S. Department of Treasury**

The U.S. Customs Service is an agency of the U.S. Department of Treasury responsible for the assessment and collection of import duties and taxes and the control of carriers, persons, and articles

entering or departing the United States. All imports must receive clearance from U.S. Customs before entry into United States commerce. The field organization consists of seven geographical regions further divided into 44 districts with ports of entry within each district. Customs enforces the provision of the Tariff Act of 1930, as amended, in addition to more than 400 laws of other agencies governing international traffic and trade.

### **National Marine Fisheries Service, National Oceanic and Atmospheric Administration, U.S. Department of Commerce (USDOC)**

The National Marine Fisheries Service (NMFS) oversees fisheries management in the United States, and through the 1946 Agricultural Marketing Act, provides a voluntary inspection service to the industry. The NMFS fishery Products Inspection Program offers a variety of professional inspection services, which assures compliance with all applicable food regulations. In addition, product quality evaluation, grading and certification services on a product lot basis are also provided. Benefits include the ability to apply official marks, such as the U.S. Grade A. Process Under Federal Inspection (PUFI) and lot inspection marks. The safety of seafood products is the responsibility of the FDA, but the two agencies cooperate in regulating food-plant sanitation and product wholesomeness.

## **IMPORT PROCEDURE**

All imports to the United States are subject to regulations of admissibility enforced by specific U.S. agencies. Imports will be inspected or a duty applied upon their arrival at the designated port of entry. The import process commonly involves regulation by the following agencies:

### **U.S. Customs**

Imported goods may not be entered into the U.S. legally until the shipment has arrived within the limits of the port of entry and the U.S. Customs Service has authorized delivery of the merchandise. To ensure authorization the importer or the importer's agent files the appropriate documents. Customs entry papers may be presented before the merchandise arrives. Customs will coordinate with other U.S. agencies for inspections or other activities relating to the entry of the shipment into United States commerce.

The Customs Service does not notify the importer of the arrival of a shipment. The carrier of the goods usually makes notification. The importer should make their own arrangements to be sure they or their agent is informed immediately so that the entry can be filed and delays in obtaining the goods avoided. If documentation is not filed within 30 days of arrival, the goods are sent to a general order warehouse to be held as unclaimed. The importer is responsible for storage charges that are incurred during the period the merchandise is being held in the warehouse. After one year the merchandise is sold.

Entry of goods is made at the first port of arrival unless other arrangements are made prior to shipment from the country of origin for in-bond shipment to a farther port or to a bonded warehouse. If the importer is not able to be present to prepare and file the entry, commercial brokers, known as



“customs brokers” and licensed by the Customs Service, may act as the agent. Such brokers charge a fee for their services. Customs brokers typically make the entry on behalf of the importer because they own a Customs bond” which allows them to make formal imports. The exporter is often responsible to send or fax important documents directly to the importer and the customs broker.

Legitimate imported merchandise can be released once the proper documents and duties have been collected. The documents required by U.S. Customs are

- Customs Entry form 3461
- Evidence of right to make entry (e.g., bill of lading). (Merchandise may be entered only by the owner), purchaser, or a licensed customs house broker.)
- Commercial Invoice or Pro-Forma Invoice if a commercial invoice cannot be produced.
- Packing List, if appropriate.
- Other necessary documents to determine merchandise admissibility.<sup>1</sup>
- A bond that is normally posted with Customs to cover potential duties, taxes, and penalties the may accrue after release of the cargo.

### Steps to Faster Customs Clearance

1. Make sure that your invoices contain the information that would be shown on a well-prepared packing list.
2. Mark and number each package so that it can be identified with the corresponding marks and numbers appearing on your invoice.
3. Show on your invoice a detailed description of each item of goods contained in each individual package.
4. Mark your goods legibly and conspicuously with the name of the country of origin, unless they are specifically exempted from the country of origin marking requirements, and with such other marking as required by the marking laws of the United States. Exemptions and general marking requirements are detailed in Chapters 24 & 25 of Importing into the United States.
5. Comply with the provisions of any special laws of the United States that may apply to your goods, such as the laws relating to food, drugs, cosmetics, alcoholic beverages, and radioactive materials.
6. Observe closely the instructions with respect to invoicing, packaging, marking, labeling, etc., sent you by your customer in the United States. He has probably made a careful check of the requirements that will have to be met when you arrive.

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<sup>1</sup> A claim for duty-free status is made under GSP by showing on the entry summary that the country of origin is a designated beneficiary developing country and by showing an "A" with the appropriate GSP-eligible subheading. Products under AGOA must be noted with the letter "D."

7. Work with U.S. Customs in developing packing standards for your commodities.
8. Establish sound security procedures at your facility and while transporting your goods for shipment. Do not allow narcotics smugglers the opportunity to introduce narcotics into your shipment.
9. Consider shipping on a carrier participating in the Automated Manifest System.

### **U.S. Department of Agriculture**

The USDA is responsible for inspecting imports of plants and plant products, fresh fruits and vegetables, animals and animal products, wood products, and cotton products. USDA is notified by Customs of the entry and will check the admissibility of the item. If the product is admissible, USDA will then perform an inspection. APHIS inspectors at the port of entry conduct the inspection. An importer may need to apply for a permit to import certain agricultural goods.

### **U.S. Food and Drug Administration**

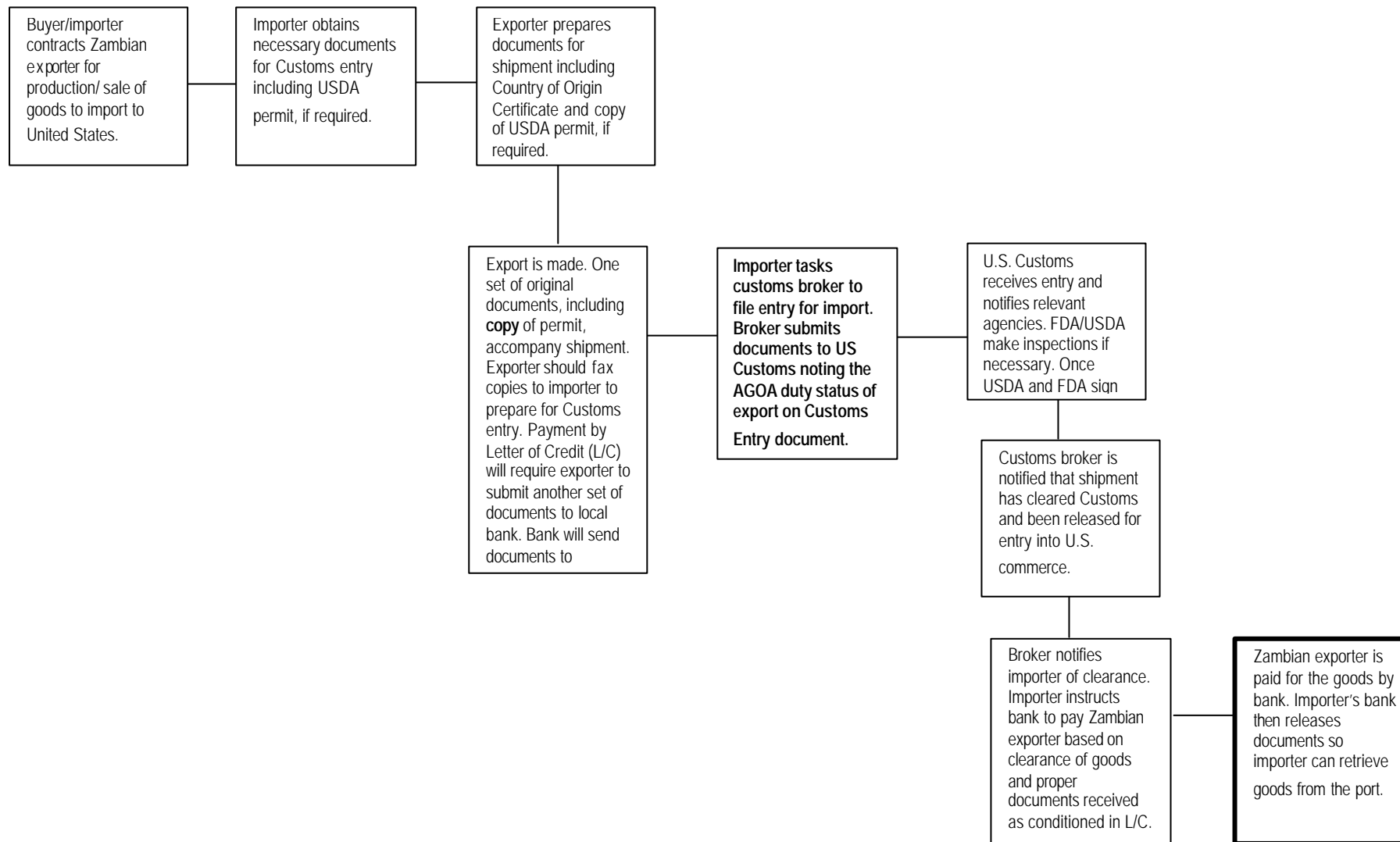
With the exception of most meat and poultry, all food, drugs, biologics, cosmetics, medical devices, and electronic products that emit radiation are subject to examination by FDA when they are being imported or offered for import into the United States. Most meat and poultry products are regulated by the USDA.

FDA is notified by U.S. Customs of the entry and determines the product admissibility. If the FDA does not wish to examine the entry, the product is allowed to enter into United States commerce. If the FDA decides to examine the product, a representative will take a sample from the shipment for laboratory evaluation. If the analysis indicates the product is in compliance, the shipment may be released into United States commerce. If there is a violation, the product will be refused admission. If the product is refused, the importer is required to either re-export the product or destroy the article under U.S. Customs or other approved supervision.

Figure 1 illustrates the step by step process of the procedure of importing in the United States.



**Figure 1. U.S. Import Procedure**



# Regulations, Duties, and Special Requirements for High Export Potential Zambian Products

## IMPORT REGULATIONS FOR HIGH EXPORT POTENTIAL ZAMBIAN PRODUCTS

The Export Board of Zambia has identified several products that have high export potential (see Appendix B.). All of these products are regularly imported by the United States and in many cases they are imported from other countries enjoying Generalized System of Preferences (GSP) and African Growth and Opportunity Act (AGOA) duty-free rates. ***While Zambian export products may qualify for preferential duty rates, each product is subject to normal importing regulations and procedures identified in this report.*** The exporter should be aware of specific import requirements of the agencies responsible for regulating that product. A quick reference to the agencies regulating these products can be found in Appendix C.

Products designated as agriculture, forestry, fishing, and hunting, will all be subject to inspection from the USDA and possibly inspection from the FDA in the case of food products. Currently, few Zambian food items enjoy an “admissible” status with the USDA. Snow peas, for example, require a permit from the U.S. importer. A list of admissible fruits and vegetables can be found in Appendix D.

The reason for the low number of admissible items from Zambia is that the USDA has not completed the task of conducting Pest Risk Assessments (PRA) for several agricultural items. A mandatory process for agricultural imports, the PRA consists of USDA/APHIS inspectors assessing the risks of importing specific food and plant items from countries seeking to export to the United States. In general, food and agricultural products that do not undergo any type of processing or preserving process will require a PRA and may not be allowed for import without being fumigated or treated at the U.S. port of entry. Zambian exporters of agricultural goods are strongly advised to confirm admissibility and permit requirements with the importer ***before*** shipping goods.

The USDA also regulates wood products. Untreated wood products will be subject to fumigation at the port of entry. Treated or finished wood products, such as wood doors and furniture, will be subject to an USDA inspection.

Plant and animal products are subject to APHIS import requirements, which depend on both the product and the country of origin. A phytosanitary certificate issued by an official of the exporting country usually must accompany plants and plant materials. A health certificate, also issued by an official of the exporting country, must accompany livestock and poultry. Animal products, such as meats and ***hides***, are restricted if they originate in countries that have a different disease status than the United States.

APHIS regulates the importation of animals that enter the country through land ports along the borders with Mexico and Canada. Imports of livestock and poultry from other countries must be quarantined at one of four animal import centers. Also, at many ports, APHIS officers inspect and

sample seed imported from foreign countries to ensure that it is accurately labeled and free of noxious weeds. APHIS also maintains 14 plant introduction stations for commercial importation of plant materials. In addition to certifying to the health of agricultural exports, APHIS officials mount a proactive approach to the marketing of U.S. crops and livestock overseas.

Textile and apparel products are normally treated with exception when imported into the United States. These products are regulated by U.S. Customs, which has the authority to impose duties and quotas. AGOA established criteria for textile and apparel imports from sub-Saharan Africa. Import regulations for textile and apparel are outlined in more detail later in the report.

Precious stones and mining products are regulated by U.S. Customs.

### **GENERALIZED SYSTEM OF PREFERENCES FREE DUTY RATES FOR ZAMBIAN EXPORTERS**

The Generalized System of Preferences (GSP) is a program that provides free rates of duty for certain merchandise from beneficiary developing independent countries and dependent countries and territories to encourage their economic growth. This program was enacted by the United States in the Trade Act of 1974. Zambia qualifies as a “Least-Developed Beneficiary Developing Country” under the GSP program meaning most Zambian exports receive duty free rates.

#### **Eligible Items**

The GSP eligibility list contains a wide range of products classifiable under more than 4,000 different subheadings in the Harmonized Tariff Schedule of the United States. Excluded are watches, footwear, handbags, luggage, flat goods, work gloves and leather wearing apparel, and certain electronic, steel, and glass products. The list of countries and exclusions, as well as the list of GSP-eligible articles, will change from time to time over the life of the program. Therefore, the latest edition of the Harmonized Tariff Schedule of the United States will contain the most current information.

#### **Claims**

For commercial shipments requiring a formal entry, a claim for duty-free status is made under GSP by showing on the entry summary that the country of origin is a designated beneficiary developing country and by showing an "A" with the appropriate GSP-eligible subheading. Eligible merchandise will be entitled to duty-free treatment provided the following conditions are met:

- The merchandise must have been produced in a beneficiary country. This requirement is satisfied when (1) the goods are wholly the growth, product, or manufacture of a beneficiary country, or (2) the goods have been substantially transformed into a new or different article of commerce in a beneficiary country.
- The merchandise must be imported directly from any beneficiary country into the customs territory of the United States.
- The cost or value of materials produced in the beneficiary developing country and/or the direct cost of processing performed there must represent at least 35 percent of the appraised value of the goods.

The cost or value of materials imported into the beneficiary developing country may be included in calculating the 35 percent value-added requirement for an eligible article if the materials are first substantially transformed into new or different articles and are then used as constituent materials in the production of the eligible article. The phrase “direct costs of processing” includes costs directly incurred or reasonably allocated to the processing of the article such as the cost of all actual labor, dies, molds, tooling, depreciation on machinery, research and development, and inspection and testing. Business overhead, administrative expenses, salaries, and profit, as well as general business expenses such as administrative salaries, casualty and liability insurance, advertising and salesmen's salaries are not considered direct costs of processing.

### PRODUCT ELIGIBILITY FOR GSP DUTY RATES UNDER THE AFRICAN GROWTH AND OPPORTUNITY ACT

AGOA builds on U.S. programs designed to increase trade and investment between the United States and developing countries, such as the GSP. AGOA expands the GSP program by 1,835 products. Excluded are African agricultural products, which have been subject to tariff rate quotas. These include tobacco, cotton, groundnuts, sugar, and rice. Sub-Saharan Africa (SSA) countries are also exempt from competitive need limitations that limit GSP benefits when U.S. imports of a certain product account for more than 50 percent of total U.S. imports of that product, or if imports reach a certain value. Appendix E identifies the current duty rates for the high export potential Zambian products. The appendix also identifies the duty rate applied to non-GSP or non-AGOA eligible items to demonstrate the benefit.

AGOA permits the President to extend duty-free treatment to imports of essentially all products, except textiles and apparel, if they are “growth, product or manufacture” of a beneficiary sub-Saharan Africa (SSA) country, meet a value-added requirement, Under AGOA, products previously identified as not eligible for GSP preferences will be considered for duty free rates based on additional rules.

- The article must have become the growth, product, or manufacture of a beneficiary SSA country by some process other than a simple combining or packaging operation or the mere dilution with water or mere dilution with another substance that does not materially alter the characteristics of the article ,
- The article must be imported directly from a beneficiary country into the customs territory of the United States,
- The article must have at least 35 percent of its appraised value attributable to the sum of the direct costs of processing operations performed in the beneficiary SSA country or in any two or more beneficiary SSA countries that are members of the same association of countries and are treated as one country under section 507(2) of the GSP statute, plus the cost or value of the materials produced in the beneficiary SSA country or in any two or more SSA countries or,
- As variations for the 35 percent value-content rule (the two additional rules):
  - ? The cumulating of the cost or value of materials from different beneficiary countries is *not* dependent on those beneficiaries being members of an association of countries; and

- ? The cost or value of materials produced in the customs territory of the United States (the 50 States and the District of Columbia and Puerto Rico) may be counted toward the 35 percent requirement to a maximum of 15 percent of the article's appraised value.

The Act amends the GSP statute by providing for continuation of GSP duty-free treatment through September 30, 2008, in the case of a beneficiary sub-Saharan African country.

### Procedures and Recordkeeping

The implementing regulations specify the manner in which a claim for duty-free treatment should be made. The procedures specified in the GSP regulations are followed, but the symbol “D” (rather than “A”) is used as the special program indicator on the Customs entry documentation to denote AGOA eligibility. An importer claiming duty-free treatment must make and maintain (for a period of 5 years from the date of entry) the following records:

- Records that explain how the importer came to the conclusion that the article qualifies for duty-free treatment;
- Records that demonstrate that the importer is claiming that the article qualifies for duty-free treatment because it is the growth of a beneficiary sub-Saharan African country or because it is the product of a beneficiary sub-Saharan African country or because it is the manufacture of a beneficiary sub-Saharan African country.
- If the importer is claiming that the article is the growth of a beneficiary sub-Saharan African country, the importer must have records that indicate that the product was grown in that country, such as a record of receipt from a farmer whose crops are grown in that country.
- If the importer is claiming that the article is the product of, or the manufacture of, a beneficiary sub-Saharan African country, the importer must have records that indicate that the manufacturing or processing operations reflected in or applied to the article meet the country of origin requirements. A properly completed GSP declaration in the prescribed format is one example of a record that would serve this purpose;
- Shipping papers that show how the article moved from the beneficiary sub-Saharan African country to the United States. If the imported article was shipped through a country other than a beneficiary sub-Saharan African country and the invoices and other documents from the beneficiary sub-Saharan African country do not show the United States as the final destination, the importer also must have documentation that demonstrates that the conditions set forth in the regulations were met;
- Records that demonstrate the cost or value of the materials produced in the United States and the cost or value of the materials produced in a beneficiary sub-Saharan African country or countries and the direct costs of processing operations incurred in the beneficiary sub-Saharan African country that were relied upon by the importer to determine that the article met the 35 percent value content requirement. A properly completed GSP declaration in the form set forth in 19 CFR §10.173(a)(1) is one example of a record that would serve this purpose.



The importer must establish and implement internal controls that provide for the periodic review of the accuracy of the declarations or other records which establish that an article is the growth, product or manufacture of a beneficiary sub-Saharan African country. The importer must be prepared to produce the required records within 30 days of a request from Customs and must be prepared to explain how those records and the internal controls referred to above justify the importer's claim for duty-free treatment.

### **Textile and Apparel Products**

AGOA extends benefits to imports of a number of apparel items, and textile products used to make those goods, produced in eligible sub-Saharan African countries. In most instances, these benefits are available without limits on the total volume of apparel exported from eligible sub-Saharan African countries to the United States. In some instances, however, the volume of U.S. imports of particular types of apparel exported from eligible Sub-Saharan Africa countries is subject to a cap. This is explained later in the report.

In order for apparel/textile products of a country to be eligible for duty-free treatment, the AGOA beneficiary country must be designated as eligible for apparel/textile benefits. Such a designation requires that the United States determine that the country has an effective visa system to prevent the unlawful transshipment of apparel/textile articles and the use of counterfeit documents relating to the importation of the articles into the United States. Zambia received this designation on December 17, 2001.

Section 112 of the AGOA sets forth *new* rules that provide for the preferential treatment of certain textile and apparel products. Moreover, these rules in effect operate as an exception to the approach under the GSP because the GSP statute excludes most textile and apparel articles from preferential (that is, duty-free) treatment under the GSP.

Certain textile and apparel articles that are imported directly into the customs territory of the United States from an eligible beneficiary sub-Saharan African country will enter the United States free of duty and free of any quantitative limitations, if the country has satisfied the requirements set forth in the Act. The Harmonized Tariff Schedule of the United States (HTSUS) has been amended to cover the new benefits.

#### ***What articles are covered?***

These products are as follows:

- Subheading **9802.00.80** Apparel articles assembled in one or more beneficiary sub-Saharan African countries from fabrics wholly formed and cut in the United States, from yarns wholly formed in the United States, (including fabrics not formed from yarns, if those fabrics are classifiable under heading 5602 or 5603 of the Harmonized Tariff Schedule of the United States (HTSUS) and are wholly formed and cut in the United States) that are entered under of the HTSUS;
- Subheading **9819.11.03** Apparel articles assembled in one or more beneficiary sub-Saharan African countries from fabrics wholly formed and cut in the United States, from yarns wholly formed in the United States, (including fabrics not formed from yarns, if those fabrics are

classifiable under heading 5602 or 5603 of the HTSUS and are wholly formed and cut in the United States) that are entered under Chapter 61 or 62 of the HTSUS, if, after that assembly, the articles would have qualified for entry under subheading 9802.00.80 of the HTSUS but for the fact that the articles were embroidered or subjected to stone-washing, enzyme-washing, acid washing, perma-pressing, oven-baking, bleaching, garment-dyeing, screen printing, or other similar processes ;

- Subheading **9819.11.06** Apparel articles cut in one or more beneficiary sub-Saharan African countries from fabric wholly formed in the United States from yarns wholly formed in the United States, (including fabrics not formed from yarns, if those fabrics are classifiable under heading 5602 or 5603 of the HTSUS and are wholly formed in the United States) if those articles are assembled in one or more beneficiary sub-Saharan African countries with thread formed in the United States;
- Subheading **9819.11.09** Apparel articles wholly assembled in one or more beneficiary sub-Saharan African countries from fabric wholly formed in one or more beneficiary sub-Saharan African countries from yarn originating either in the United States or one or more beneficiary sub-Saharan African countries (including fabrics not formed from yarns, if those fabrics are classifiable under heading 5602 or 5603 of the HTSUS and are wholly formed and cut in one or more beneficiary sub-Saharan African countries), subject to rules or conditions (new U.S. note 2 to Subchapter XIX, HTSUS) involving:
  - I. Application of quantitative limits on preferential treatment (in effect, tariff rate quotas) for each of eight 1-year periods beginning on October 1, 2000, with a percentage increase in each year, subject to those tariff rate quota provisions and until September 30, 2004,
  - II. Application of preferential treatment to apparel articles wholly assembled in one or more lesser developed beneficiary sub-Saharan African countries regardless of the country of origin of the fabric used to make the articles (new subheading **9819.11.12** HTSUS), and
  - III. Application of an import surge safeguard mechanism that could lead to suspension by the President of duty-free treatment for an article if increased imports of that article cause serious damage, or the threat of serious damage, to a domestic industry producing a like or directly competitive article;
- Subheading **9819.11.15** Cashmere sweaters, that is, sweaters in chief weight of cashmere, knit-to-shape in one or more beneficiary sub-Saharan African countries and classifiable under subheading 6110.10 of the HTSUS;
- Subheading **9819.11.18** Wool sweaters containing 50 percent or more by weight of wool measuring 18.5 microns in diameter or finer, knit-to-shape in one or more beneficiary sub-Saharan African countries;
- Subheading **9819.11.21** Apparel articles that are both cut (or knit-to-shape) and sewn or otherwise assembled in one or more beneficiary sub-Saharan African countries, from fabric or yarn that is not formed in the United States or a beneficiary sub-Saharan African country,

to the extent that apparel articles of those fabrics or yarns would be eligible for preferential treatment, without regard to the source of the fabric or yarn. The subject fabrics and yarns include:

- ? Fine count cotton knitted fabrics for certain apparel,
  - ? Linen, silk, cotton velveteen,
  - ? Fine wale corduroy,
  - ? Harris Tweed,
  - ? Certain woven fabrics made with animal hairs,
  - ? Certain lightweight, high thread count poly-cotton woven fabrics, and
  - ? Certain lightweight, high thread count broadwoven fabrics used in the
  - ? Production of men's and boys' shirts.
- Subheading **9819.11.24** Apparel articles that are both cut (or knit-to-shape) and sewn or otherwise assembled in one or more beneficiary sub-Saharan African countries, from fabric or yarn that the President or his designee have designated in the *Federal Register* as not available in commercial quantities in the U.S.; and
  - Subheading **9819.11.27** A handloomed, handmade, or folklore article of a beneficiary sub-Saharan African country or countries that is certified as such by the competent authority of the beneficiary country or countries, subject to a determination by the President regarding which, if any, particular textile and apparel goods of the country or countries will be treated as being handloomed, handmade, or folklore articles (HTSUS).
  - Certain other apparel products will be duty-free and quota-free up to a specified cap (aggregate level of imports of these products from all beneficiary sub-Saharan African countries) that is based on U.S. total apparel imports in a previous 12-month period. The specific products covered under the cap are:
    - ? Apparel assembled in sub-Saharan Africa from fabric wholly formed in sub-Saharan Africa from U.S. or sub-Saharan African yarn.
    - ? Apparel assembled in sub-Saharan Africa from non-U.S., non-sub-Saharan African fabric ("third country" fabric). Only lesser-developed sub-Saharan African countries, defined as those with a per capita gross national product of less than \$1,500 a year in 1998 as measured by the World Bank, may export apparel wholly assembled in their countries, regardless of the origin of the fabric, through September 30, 2004. According to the World Bank's 1999/2000 World Development Report, which gives 1998 data, all sub-Saharan African countries except Botswana, Equatorial Guinea, Gabon, Mauritius, Namibia, Seychelles, and South Africa fall below this per capita threshold and are eligible to use third-country fabric in their duty-free apparel exports to the United States through September 30, 2004.
    - ? The single cap on preferential treatment for these two categories of apparel is as follows: Share of Total U.S. Apparel Imports, Measured In Square Meter Equivalent, In Previous 12-Month Period for Which Data Are Available:
      - October 1, 2000 – September 30, 2001 1.50%

- October 1, 2001 – September 30, 2002 1.78%
- October 1, 2002 – September 30, 2003 2.06%
- October 1, 2003 – September 30, 2004 2.34%
- October 1, 2004 – September 30, 2005 2.62%
- October 1, 2005 – September 30, 2006 2.90%
- October 1, 2006 – September 30, 2007 3.18%
- October 1, 2007 – September 30, 2008 3.50%

The duty-free cap is not allocated among countries. It will be filled on a "first-come, first-served" basis. In any year that the cap is met, subject apparel products from sub-Saharan Africa may still enter the United States; however, they will be assessed the prevailing normal trade relations duty rate (Column 1 rates detailed in the Harmonized Tariff System of the United States) at the time of entry. For the first year, two-thirds of the cap was made available on October 2, 2000. The remaining one-third of the cap, plus any quantity remaining unfilled from the earlier two-thirds of the cap, will be made available on January 1, 2001.

In addition to the cap on these imports, AGOA includes protection for U.S. industries from surges in apparel imports wholly assembled in sub-Saharan Africa countries from regional and third-country fabric and yarn. The Secretary of Commerce will monitor these apparel imports on a monthly basis. If the Secretary determines that there has been a surge of imports in such increased quantities as to cause serious damage, or threat thereof, to U.S. producers, then the President must suspend benefits for that particular product from the sub-Saharan African country or countries that are exporting it. The Secretary will only make a determination after a notice has been published in the Federal Register and a thorough investigation has been concluded.

#### ***What definitions are used?***

For purposes of these regulations, Customs uses the following definitions:

- ***Apparel articles*** means goods classifiable in Chapters 61 and 62 and headings 6501, 6502, 6503, and 6504 and subheadings 6406.99 and 6505.90 of the HTSUS.
- ***Assembled in one or more beneficiary countries*** when used in the context of a textile or apparel article has reference to a joining together of two or more components that occurred in one or more beneficiary countries, whether or not a prior joining operation was performed on the article or any of its components in the United States.
- ***Cut in one or more beneficiary countries*** when used with reference to apparel articles means that all fabric components used in the assembly of the article were cut from fabric in one or more beneficiary countries.
- ***Knit-to-shape*** applies to any apparel article of which 50 percent or more of the exterior surface area is formed by major parts that have been knitted or crocheted directly to the shape used in the apparel article, with no consideration being given to patch pockets, appliques, or

the like. Minor cutting, trimming, or sewing of those major parts will not affect the determination of whether an apparel article is “knit-to-shape.”

- **Major parts** means integral components of an apparel article but does not include collars, cuffs, waistbands, plackets, pockets, linings, paddings, trim, accessories, or similar parts or components.
- **Originating** means having the country of origin determined by application of the provisions of 19 CFR §102.21.
- **Wholly assembled in.** When used with reference to a textile or apparel article in the context of one or more beneficiary countries or one or more lesser developed beneficiary countries, the expression “wholly assembled in” means that all of the components of the textile or apparel article (including thread, decorative embellishments, buttons, zippers, or similar components) were joined together in one or more beneficiary countries or one or more lesser developed beneficiary countries.
- **Wholly formed** when used with reference to yarns or thread, means that all of the production processes, starting with the extrusion of filament or the spinning of all fibers into yarn or both and ending with a yarn or plied yarn, took place in a single country, and, when used with reference to fabric(s), means that all of the production processes, starting with polymers, fibers, filaments, textile strips, yarns, twine, cordage, rope, or strips of fabric and ending with a fabric by a weaving, knitting, needling, tufting, felting, entangling or other process, took place in a single country.

Subsection (c) of section 112 permits the elimination of existing quotas on textile and apparel articles imported into the United States from Kenya and Mauritius within 30 days after those countries adopt effective visa systems to prevent unlawful transshipment of textile and apparel articles and the use of counterfeit documentation relating to the importation of the articles into the United States. The U.S. Trade Representative published the necessary declarations in the *Federal Register* effective for articles entered, or withdrawn from warehouse, for consumption on or after January 18, 2001 for Kenya, and January 19, 2001 for Mauritius.

### ***What special rules are applied?***

Section 112 also sets forth rules for determining the eligibility of articles for preferential treatment. These rules are as follows:

***Findings and trimmings.*** As a general rule, an article otherwise eligible for preferential treatment under section 112 will not be ineligible for that treatment because the article contains findings or trimmings of foreign origin, if the value of those foreign findings and trimmings does not exceed 25 percent of the cost of the components of the assembled article. This provision specifies the following as examples of findings and trimmings:

- Sewing thread,
- Hooks and eyes,
- Snaps, buttons,
- “Bow buds,”

- Decorative lace trim,
- Elastic strips (but only if they are each less than 1 inch in width and used in
- The production of brassieres),
- Zippers (including zipper tapes), and
- Labels.

However, as an exception to the general rule, there is a provision that sewing thread will not be treated as findings or trimmings in the case of an article described in paragraph (b)(2) of section 112 (because that paragraph specifies that the thread used in the assembly of the article must be formed in the United States and thus cannot be of “foreign” origin).

**Specific interlinings**, that is, a chest type plate, a “hymo” piece, or “sleeve header,” of woven or weft-inserted warp knit construction and of coarse animal hair or man-made filaments. Under this rule, an article otherwise eligible for preferential treatment under section 112 will not be ineligible for that treatment because the article contains the specified interlinings of foreign origin, if the value of those interlinings (and any findings and trimmings) does not exceed 25 percent of the cost of the components of the assembled article. There is also a provision for the termination of this treatment of interlinings if the President makes a determination that United States manufacturers are producing those interlinings in the United States in commercial quantities.

**De minimis rule.** Finally, there is a *de minimis* rule which provides that an article otherwise eligible for preferential treatment under section 112 will not be ineligible for that treatment because the article contains fibers or yarns not wholly formed in the United States or one or more beneficiary sub-Saharan African countries if the total weight of all those fibers and yarns is not more than 7 percent of the total weight of the article.

## Customs Procedures

To claim preferential treatment under section 112, the articles must be imported directly into the customs territory of the United States from a beneficiary sub-Saharan African country and an importer must make a written declaration that the article qualifies and be in possession of a valid Certificate of Origin (see Appendix F). In the case of any textile or apparel article described in 9802.00.8042 or 9819.11.03 through 9819.11.27, the inclusion on the entry summary, or equivalent documentation, of the subheading within Chapter 98 of the HTSUS under which the article is classified will constitute the written declaration.

### *Certificate of Origin and Declaration*

Any importer who claims preferential treatment under section 112 must comply with customs procedures similar in all material respects to the requirements of Article 502(1) of the NAFTA as implemented by regulations. This NAFTA provision concerns the use of a Certificate of Origin and specifically requires that the importer:

- Make a written declaration, based on a valid Certificate of Origin, that the imported good qualifies as an originating good,
- Have the Certificate in its possession at the time the declaration is made,

- Provide the Certificate to Customs on request, and promptly (within 30 calendar days after the date of discovery of the error) make a corrected declaration and pay any duties owing where the importer has reason to believe that a Certificate on which a declaration was based contains information that is not correct.

The Certificate of Origin must be prepared by the exporter in the beneficiary country in the form specified in the regulations. Where the beneficiary country exporter is not the producer of the article, that exporter may complete and sign a Certificate of Origin on the basis of:

- Its reasonable reliance on the producer's written representation that the article qualifies for preferential treatment; or
- A completed and signed Certificate of Origin for the article voluntarily provided to the exporter by the producer.

A Certificate of Origin submitted to Customs:

- Must be in writing or must be transmitted electronically pursuant to any electronic data interchange system authorized by Customs for that purpose;
- Must be signed by the exporter or by the exporter's authorized agent having knowledge of the relevant facts;
- Must be completed either in the English language or in the language of the country from which the article is exported. If the Certificate is completed in a language other than English, the importer must provide to Customs upon request a written English translation of the Certificate; and
- May be applicable to (1) a single importation of an article into the United States, including a single shipment that results in the filing of one or more entries and a series of shipments that results in the filing of one entry; or (2) multiple importations of identical articles into the United States that occur within a specified blanket period, not to exceed 12 months, set out in the Certificate by the exporter. "Identical articles" means articles that are the same in all material respects, including physical characteristics, quality, and reputation.

### ***Direct Import Requirement***

As previously stated, in order to claim preferential treatment, the articles must be imported directly into the customs territory of the United States from a beneficiary sub-Saharan African country. For purposes of this provision, the words "***imported directly***" mean

- Direct shipment from any beneficiary country to the United States without passing through the territory of any non-beneficiary country;
- If the shipment is from any beneficiary country to the United States through the territory of any non-beneficiary country, the articles in the shipment do not enter into the commerce of any non-beneficiary country while en route to the United States and the invoices, bills of lading, and other shipping documents show the United States as the final destination; or

- If the shipment is from any beneficiary country to the United States through the territory of any non-beneficiary country, and the invoices and other documents do not show the United States as the final destination, the articles in the shipment upon arrival in the United States are imported directly only if they:
  - ? Remained under the control of the customs authority of the intermediate country;
  - ? Did not enter into the commerce of the intermediate country except for the purpose of sale other than at retail, and the port director is satisfied that the importation results from the original commercial transaction between the importer and the producer or the producer's sales agent; and
  - ? Were not subjected to operations other than loading or unloading, and other activities necessary to preserve the articles in good condition.

### ***Verification and Justification of Claim for Preferential Treatment***

A claim for preferential treatment, including any statements or other information contained on a Certificate of Origin submitted to Customs, are subject to whatever verification the port director deems necessary. In the event that the port director for any reason is prevented from verifying the claim, the port director may deny the claim for preferential treatment. A verification of a claim for preferential treatment may involve, but need not be limited to, a review of

- All records required to be made, kept, and made available to Customs by the importer or any other person under 19 CFR part 163;
- Documentation and other information in a beneficiary country regarding the country of origin of an article and its constituent materials, including, but not limited to, production records, information relating to the place of production, the port director will notify the importer in writing that for that importation the importer must number and identification of the types of machinery used in production, and the number of workers employed in production; and
- Evidence in a beneficiary country to document the use of U.S. materials in the production of the article in question, such as purchase orders, invoices, bills of lading and other shipping documents, and customs import and clearance documents.

### ***Importer requirements***

To make a claim for preferential treatment, the importer must

- Have records that explain how the importer came to the conclusion that the textile or apparel article qualifies for preferential treatment. Those records must include documents that support a claim that the article in question qualifies for preferential treatment because it is specifically described in one of the qualifying provisions. If the importer is claiming that the article incorporates fabric or yarn that originated or was wholly formed in the United States, the importer must have records that identify the U.S. producer of the fabric or yarn. A properly completed Certificate of Origin in the prescribed form is a record that would serve these purposes;



- Establish and implement internal controls which provide for the periodic review of the accuracy of the Certificate of Origin or other records referred to above;
- Have shipping papers that show how the article moved from the beneficiary country to the United States. If the imported article was shipped through a country other than a beneficiary country and the invoices and other documents from the beneficiary country do not show the United States as the final destination, the importer also must have documentation that demonstrates that the conditions set forth in the regulations were met; and
- Be prepared to explain, upon request from Customs, how the records and internal controls referred to above justify the importer's claim for preferential treatment.



# Export Opportunities to the United States

## THE U.S. MARKET FOR IMPORTS

U.S. imports from sub-Saharan Africa under the GSP and AGOA increased dramatically from US\$3.9 billion in 2000 to more than US\$10.9 billion for the year 2001 (see Appendix G). For the year 2001, US\$7.6 billion of imports from SSA benefited from AGOA and GSP duty-free rates. The leading products benefiting from GSP and AGOA preferential duties were energy-related products, textiles and apparel, transportation equipment, and agricultural products. According to the United States International Trade Commission (USITC), imports from Zambia amounted to \$15.6 million for 2001, reflecting a decrease of 12 percent from the previous year. In 2000, the United States imported more than US\$1.26 trillion worth of goods.<sup>2</sup> This represents an 11 percent increase over the period of 1996 leading up to 2000. Despite a decrease in trade with Zambia, the U.S. continues to import from sub-Saharan Africa countries at an increasing rate and remains the largest consumer market in the world.

The U.S. import markets for products such as apparel, finished goods, and food products can be very complex. Importers include manufacturers, retailers, traders and brokers, purchasing agents, and wholesale importers. Each uses different methods for purchasing depending on customer base, marketing channels, market position, and even the time of year. Foreign sellers therefore have difficulty targeting the proper customers for their goods, and often cannot establish a direct channel to importers. This is especially so when sellers do not understand the techniques necessary to market to the United States, or the qualities that U.S. firms expect of a reliable overseas suppliers. Many importers are receptive to new sources of supply. In fact, many firms have specialized staffs who travel the world looking for new suppliers. Foreign sellers need to identify these firms and sell their goods to them. Foreign sellers should use the following information to develop a marketing plan for selling to the United States. A summary of these points is presented in Appendix I.

### Dependable Supplier

The most important element of exporting to the United States is a productive and profitable relationship with an overseas supplier. This relationship is possible when the U.S. firm believes it is working with a dependable supplier. U.S. firms are willing to develop and enhance a product before importing it because the average U.S. consumer places a high value on the quality and is willing to pay for quality. Exporters must therefore focus on “export readiness” before committing to business with a U.S. firm. Exporters should address such factors as plant capacity, access and continuity of raw material, and financial stability, before offering to supply U.S. firms. When U.S. firms develop a

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<sup>2</sup> Source: WTO International Trade Centre TradeMap database; [www.trademap.net](http://www.trademap.net)

strategy to begin importing from a new supplier, they plan for the long term. Exporters should be able to guarantee buyers that they will be in the business for the long term as well.

### Quality of Product and Supply

After a U.S. firm has confidence in the supplier, attention will turn to the quality of the product. U.S. consumers will pay a high price for quality product, but more than a good product is required. The U.S. market is very concerned with packaging and labels. Well packaged, properly labeled products, especially food items, can sell very well in the United States. If the product will be sold in retail outlets, such as grocery stores or department stores, it will need to be labeled according to U.S. regulations. This can often require very specific information that the supplier must obtain either from a laboratory or other inspection service. Often, the importer will know this information and will transfer it to the supplier. It is critical to identify where the product will be sold, and what U.S. labeling laws require for that product. The first section of this report outlined the labeling requirements of U.S. Customs but labeling laws for retail sales are more specific. The supplier should provide clear information before shipping goods.

Just as important as product quality is the supplier's ability to guarantee continual supply. Once a U.S. firm invests in a supplier, it expects to do business for many years. When a representative of a U.S. firm travels to another country to find an overseas supplier, he or she will assess the factory and determine the supplier's ability to meet volume and delivery requirements. If the product is in high demand, or the firm is interested in a supply source for the long term, it will often consider investing in the facilities, or providing some part of the product, such as packaging, that the factory cannot adequately provide for. This offers the best opportunity for small-scale investments into facilities.

### Logistics of Importing

U.S. firms will strongly consider the logistics of importing from a specific country or supplier. U.S. firms guarantee their customers a level of service that demands timely arrival of products. Retail stores must plan for sales promotions and inventories months in advance; therefore, the easier it is to transport a product from the factory in one country to the warehouse in another, the better. Exporters that are inhibited by their location to the port of shipment should plan in careful detail and not underestimate the time of delivery when entering into contracts.

### Methods of Payment

Exporters to the United States should be familiar with international methods of payment such as letters of credit (L/C) and sight drafts. Both forms of payment rely on a bank to be the intermediary and offer the most secure form of payment to both supplier and buyer. Exporters should be fully knowledgeable of L/C terms before they enter into a contract. L/Cs are based solely on presentation of proper documents to the banks. The quality of the product is irrelevant. Therefore, suppliers should be concerned with all of the terms of a L/C including

- **Payment at sight**—The L/C should be payable at supplier's bank. "Sight" refers to the location where the L/C will be paid. If the L/C is paid at the buyer's bank, the supplier will

have to wait until the funds are remitted to his bank. This could cause a delay, or some possibility that suppliers bank does not receive the funds.

- **Expiry date**—Exporters should ensure that the expiry date allows sufficient time to produce, ship, and present documents to the bank within the “life” of the L/C. For example, acquiring certificates of origin, or vessel delays could result in a supplier not meeting the terms and forfeiting payment.
- **Documents required**—Exporters should ensure that the documents they must present to get paid under the L/C can be obtained and do not require any action or signatures from the buyer that could risk the chance of being paid.

L/Cs are a common form of payment and banks usually know how they work. Exporters should discuss the L/C and specific terms with their banks before making the request to the buyer to open the document.

### **Business with Africa**

U.S. firms have little knowledge of doing business with African countries. They are not aware of the many opportunities to import goods produced in African countries, generally believing that product quality is poor, particularly food items. In addition, they are very concerned with African firms’ access to capital and ability to meet delivery schedules because of infrastructure problems. Already confident in importing from Asia and Latin America, U.S. firms will not change supply unless there is an absolute advantage to doing so. However, changing suppliers presents an opportunity for U.S. firms to introduce new items. U.S. companies are very aggressive in locating new sources of products.

### **Locating Potential U.S. Customers**

Most U.S. firms that have the capacity to import products from overseas suppliers can be contacted or researched via the Internet. Firms with an Internet presence often display contact information as well as detailed information on products. Exporters should research as much of this information as possible before contacting potential buyers. Many firms maintain an Internet site to attract potential suppliers. The Internet addresses of some potential importers are presented in Appendix I.

Trade associations often have hundreds of members who need assistance locating overseas suppliers. Many associations can inform an overseas buyer about industry developments such as regulations, market size, and sources of supply. Not all associations will provide information free of cost, but all serve members who want to know about potential supply sources or joint venture opportunities. A list of trade associations relevant to selected Zambian products is presented in Appendix K.

Many multinational companies with headquarters in the U.S. are doing business with sub-Saharan African countries. These firms tend to make the largest investments in capital goods such as heavy machinery, transportation vehicles, factories, and ships. These firms make investments not only to import from overseas suppliers, but also to supply local markets with foreign goods or goods

produced in the host country. These firms are natural partners for capital-intensive industries that require massive investments.

U.S. firms can be very aggressive in sourcing new products. Most would prefer to deal directly with African suppliers, than rely on middlemen such as a traders, brokers, or agents. Zambian exporters should therefore try to locate the most direct buyer of their goods. The types of firms that should be targeted include (1) manufacturers trying to supplement their supply with imports, (2) importers and distributors who keep regular inventory of the products, and (3) retail or department store chains that will distribute value-added goods at a mass level.

### EXPORTING TO THE UNITED STATES

Once a firm has marketed its product and is preparing to export to buyers in the United States, several logistical requirements must be fulfilled to ensure the product arrives at the U.S. border in proper condition to expedite the U.S. Customs procedures.

- The exporter should contract a local freight forwarder to arrange for the shipment of the goods. The forwarder will be able to contract a container for the shipping vessel, or obtain cargo space on commercial airlights. The forwarder will also advise on necessary documentation to make the export. The forwarder should also be aware of any fumigation or treatments for the product before being exported to the United States.
- The exporter should ensure from the customer that he/she has all proper documents, and certificates, including a certificate of origin or copy of USDA permit, that will be required by U.S. regulatory agencies as outlined in the first section of this report.
- The exporter should ensure that each unit of the product is properly labeled as required by U.S. Customs before leaving the warehouse or being loaded into a sea container. (Refer to page 6 of this report for steps to faster customs clearance.)
- The exporter should ensure that there is one copy of the Original Bill of Lading (B/L) to present with original documents to the bank that holds the Letter of Credit in the exporter's favor. Submit documents to local bank for payment.
- The exporter should maintain constant contact with the buyer until U.S. Customs releases the shipment and it arrives at the buyer's warehouse in good condition.

An efficient transaction on the first shipment will result in continued business!

# Appendix A. Major U.S. Regulatory Agencies

## U.S. DEPARTMENT OF AGRICULTURE:

Animal and Plant Health Inspection Service (APHIS), Plant Protection and Quarantine (PPQ)  
Importers must obtain a phytosanitary certificates for certain commodities to verify that the quarantine officials of the exporting country have examines the commodities for pests and disease prior to the commodities departure from the country to ensure that they are not introduced into U.S. agriculture. For some commodities, no acceptable quarantine treatments have been proven to destroy pests and diseases of concern; these commodities may not be imported. For information contact:

APHIS-PPQ, Permit Unit  
4700 River Road, Unit 136  
Riverdale, MD 20737-1236  
Telephone: (301) 734-8645  
Fax: (301) 734-5786

Animal and Plant Health Inspection Service (APHIS), **Veterinary Services (VS)**. Veterinary Services (VS). Veterinary Services issues permits for the importation of animals, birds, and animal products. For permit applications and information about import requirements and user fee, contact:

APHIS-VS  
National Center for Import/Export  
4700 River Road, Unit 40  
Riverdale, MD 20737-1231

### ***Animal Products***

Telephone (301)734-3261  
Fax: (301)734-8226

### ***Animals***

Telephone (301)734-8145  
Fax: (301)734-6402

**APHIS Veterinary Biologic's** is another APHIS unit that works closely with importers who are trading animal products.

### USDA-APHIS-BBEP

Veterinary Biologics Staff  
4700 River Road, Unit 148  
Riverdale, MD 20737-1248  
Telephone: (301) 734-7760  
Fax : (301) 734-4314

Internet address: <http://www.aphis.usda.gov/vs/cvblpd>

## FOOD SAFETY INSPECTION SERVICE (FSIS)

The Food Safety and Inspection Service (FSIS) of the U.S. Department of Agriculture (USDA) is responsible for ensuring that domestic and imported meat, poultry and eggs, and their products, are wholesome, unadulterated, and accurately labeled. For more information on FSIS contact:

Food Safety and Inspection Service  
International Programs  
Room 341-E Whitten Building  
Washington, DC 20250  
Tel. (202) 720-3473  
Fax (202) 690-3856  
World Wide Web: <http://www.usda.gov/fsis>

Exporters of the above products to the United States need to have a thorough understanding of the Pathogen Reduction program and the *Hazard Analysis and Critical Control Points (HACCP)*. Information may be obtained from:

National Technical Information Service (NTIS)  
U.S. Department of Commerce  
5285 Port Royal Road  
Springfield, VA 22161.

**Cotton:** AMS provides classification services to individual buyers, manufacturers, breeders, researchers, and others upon request and for a fee. For more detailed information contact:

AMS Cotton Division  
Tel: (202) 720-3193  
Fax: (202)690-1718

**Tobacco:** All imported Burley and flue cured tobacco (leaf or chopped) is inspected by USDA/AMS Tobacco Division for pesticide residues and for quality grading. Tobacco that is fire or air-dried is inspected for quality. All inspections are on a cost recovery basis.

AMS Tobacco Division, Standardization Branch  
Room 511 - Annex, AG BOX 0280  
U.S. Department of Agriculture  
Tel (202) 205-0744  
Fax (202) 205-1191



## U.S. FOOD AND DRUG ADMINISTRATION (FDA)

### Office of Constituent Operations

International Activities Staff, HFS-585  
Center for Food Safety and Applied Nutrition  
Food and Drug Administration  
200 C Street, S.W.  
Washington, DC 20204-0001  
Tel. (202) 205-4045  
Fax (202) 401-7739  
FDA Internet home page is <http://www.fda.gov>

### The Imports Branch, Division of Enforcement

Center for Food Safety and Applied Nutrition  
Food and Drug Administration  
200 C Street  
Washington, DC 20240  
Tel (202) 205-4606  
Fax (202) 260-0208

## ENVIRONMENTAL PROTECTION AGENCY (EPA)

Environmental Protection Agency  
International Cooperative and Developing Countries  
401 M Street, SW  
Washington, DC 20460  
Tel: (202) 260-7751 or (703) 305-5761

## THE U.S. CUSTOMS SERVICE

### Office of Regulations and Rulings

U.S. Customs Service  
1300 Pennsylvania Ave  
Washington, DC 20229  
Phone: (202) 927-2340  
Fax: (202) 927-1879  
Website: <http://www.customs.ustras.gov>

## BUREAU OF ALCOHOL, TOBACCO AND FIREARMS, DEPARTMENT OF THE TREASURY

Any person or firm wishing to import distilled spirits, wines, or malt beverages into the United States must first obtain an importer's basic permit from

The Bureau of Alcohol, Tobacco and Firearms  
Department of the Treasury  
Washington, D.C. 20226  
Telephone: (202) 927-8110.  
Website: <http://www.atf.treas.gov>

## VARIOUS U.S. AND WORLD FOOD SAFETY INTERNET SITES

World Trade Organization (WTO) <http://www.wto.org/>  
CODEX Alimentarius <http://www.fao.org/waicent/faoinfo/nutritio/codex/codex.htm>  
U.S. Food and Drug Administration <http://www.fda.gov>  
Center for Food Safety and Applied Nutrition <http://vm.cfsan.fda.gov/list.html>  
FDA Import information [http://www.fda.gov/ora/import/ora\\_import\\_program.html](http://www.fda.gov/ora/import/ora_import_program.html)  
Import detention information [http://www.fda.gov/ora/ids/ora\\_ids\\_homepage.html](http://www.fda.gov/ora/ids/ora_ids_homepage.html)  
Pesticide Analytical Manual (on-line) <http://vm.cfsan.fda.gov/~frf/pami3.html>  
Fish & Fishery Products HACCP Guide <http://vm.cfsan.fda.gov/~dms/haccp-2.html>  
United States Department of Agriculture <http://www.usda.gov>  
Agricultural Marketing Service (AMS) <http://www.usda.gov/ams/titlepag.htm>  
Pesticide Data Program Information <http://www.usda.gov/ams/index.htm>  
Fruit & Vegetables Division <http://www.usda.gov/AMS/fruitveg.htm>  
Food Safety and Inspection Service (FSIS) <http://www.usda.gov/agency/fsis/homepage.htm>  
Grain Inspector, Packers and Stockyards Administration (GIPSA)  
<http://www.usda.gov/gipsa/index.html>  
Federal Grain Inspection Service <http://www.usda.gov/gipsa/fgisover.html>  
Animal Plant Health Inspection Service (APHIS) <http://www.aphis.usda.gov/index.html>  
Foreign Agricultural Service (FAS) <http://www.fas.usda.gov>  
U.S. Environmental Protection Agency <http://www.epa.gov>  
Office of Pesticide Programs <http://www.epa.gov/internet/index.html>  
Food Quality Protection Act <http://www.epa.gov/opppsps1/fqpa/>  
U.S. Regulatory Status of Pesticides <http://www.epa.gov/pesticides/regstat.htm>

U.S. Government Printing Office <http://www.access.gpo.gov/index.html>

Federal Register [http://www.access.gpo.gov/su\\_docs/aces/aces140.html](http://www.access.gpo.gov/su_docs/aces/aces140.html)

Code of Federal Regulations <http://www.access.gpo.gov/nara/cfr/index.html>

American Crop Protection Association <http://www.acpa.org/>

Ag on the Internet <http://www.acpa.org/public/interest/interest.html#Agriculture>

Chemical Ingredients Database (Info on EPA registered Pesticides)

<http://www.cdpr.ca.gov/docs/epa/epachem.htm>

Agricultural Info Center Database <http://www.agnic.org/agdb/erdcalfr.html>

Pesticide Properties Database <http://www.arsusda.gov/ppdb2.html>

National Marine Fisheries Service <http://kingfish.ssp.nmfs.gov/iss/issue.html>



# Appendix B. Final Revised List of Zambian Products

## Agriculture, Forestry, Fishing and Hunting

1. Cut flowers & flower buds for ornamental purposes, fresh Roses
2. Cotton, not carded or combed
3. Coffee, not roasted, not decaffeinated
4. Unroasted Arabica Coffee
5. Coffee, roasted, decaffeinated
6. Coffee, roasted, caffeinated
7. Herbaceous Plant Seeds
8. Peas, shelled or unshelled, fresh or chilled
9. Beans, shelled or unshelled, fresh or chilled
10. Raw sugar, cane
11. Soya-bean oil-cake & other solid residues, whether or not ground or pellet
12. Cotton seeds, whether or not broken
13. Refined sugar, in solid form
14. Soya beans
15. Maize (corn) bran, sharps and other residues, pelleted or not
16. Ground-nuts shelled, whether or not broken, not roasted or otherwise cooked
17. Honey, natural
18. Eggs, bird, in shell, fresh, preserved or cooked
19. Peppers of the genus Capsicum or of the genus Pimenta, fresh or chilled
20. Dried Spices
21. Dried Fruits and Vegetables
22. Paprika
23. Tobacco, unmanufactured, partly or wholly stemmed or stripped
24. Ornamental fish, live
25. Fish fillets frozen
26. Stock feeds
27. Game Trophies
28. Reptile skins, raw
29. Bovine leather, otherwise pre-tanned
30. Raw vegetable materials used primarily in dyeing or tanning

### **Wood Products**

31. Wood (lumber) continuously shaped coniferous (softwood)
32. Wooden Doors and Frames
33. Furniture

### **Precious Stones and Other Mining Products**

34. Wire and Cable of refined copper
35. Precious/semi-precious stones (o/t diamonds) unworked/simplely sawn/rough shaped
36. Silver in unwrought forms
37. Rubies, sapphires and emeralds further worked than sawn or rough shaped
38. Granite, crude or roughly trimmed
39. Jewelry made from precious stones and metals
40. Talc Powder

### **Textile Products**

41. Textile Garments and Apparel
42. Knitwear Products
43. Cotton yarn
44. Boys Cotton Trousers
45. Plain weave cotton fabric
46. Twill weave cotton fabric

### **Other**

47. Original sculptures and statuary, in any material
48. Basket work, Wicker work and Other Articles
49. Printed Books
50. Asbestos building products

## Appendix C. Zambian Export Products and Corresponding U.S. Import Regulatory Agencies

The following table identifies the U.S. regulatory agencies that are involved with each import into the United States. Depending on the product, up to three agencies could be involved. The table identifies agencies that regulate all imports of that specific product and what action is taken to “clear” the product for entry. In the case of the U.S. Food and Drug Administration (FDA), all food imports will be subject to random inspections. In the case of U.S. Customs, every product imported into the United States will need clearance. Additionally, Customs is responsible for enforcing tariffs. USDA will inspect every agricultural import, and in some cases, products will need to undergo fumigation.

Product Description	HTS Code	US Customs Clearance Required	USDA/APHIS Inspection or Import permit required	US FDA Release of product
Cut Flowers	06031080	Yes	Inspection only	Not Applicable
Fresh Roses	06031060	Yes AGOA specific	Inspection only	Not Applicable
Cotton (raw, unginned, not allowed)	5201	Yes	Inspection, permit, subject to quota	Not Applicable
Coffee, not roasted, not decaffeinated	090111	Yes		Yes
Unroasted Arabica coffee	09011110	Yes		Yes
Coffee, roasted, decaffeinated	090122	Yes		Yes
Coffee, roasted, caffeinated	090121	Yes		Yes
Herbaceous plant seeds	120930	Yes	Permit, inspection	Not Applicable
Peas, shelled or unshelled fresh or chilled	07082090	Yes	Permit, inspection	Yes
Beans, shelled or unshelled, fresh or chilled	07082090	Yes	Inspection	Yes
Raw sugar, cane	170111	Yes	Inspection	Not Applicable
Soya-bean oil-cake &	2304	Yes	Inspection	Not Applicable

Product Description	HTS Code	US Customs Clearance Required	USDA/APHIS Inspection or Import permit required	US FDA Release of product
other solid residues, whether or not ground or pellet				
Maize (corn) bran, sharps & other residues, pelleted or not	1005	Yes	Permit, Inspection	Not Applicable
Ground nuts shelled, whether broken or not, not roasted or cooked	1202	Yes	Inspection	Yes
Honey, natural	0409	Yes	Inspection	Yes
Eggs, bird, in shell, fresh, preserved, cooked	0407	Yes	Inspection	Yes
Peppers of genus Capsicum, Pimenta, fresh or chilled	07096040	Yes	Inspection	Yes
Dried spices	0910	Yes	Inspection	Yes
Cotton seeds, whether, or not, broken	120720	Yes	Entry limited to North Atlantic ports and subject to fumigation. Permit.	Not Applicable
Dried fruits	0813	Yes AGOA specific	Inspection	Yes
Dried Vegetables	0712	Yes AGOA specific	Inspection	Yes
Paprika	9042020	Yes	Inspection	Yes
Tobacco, unmanufactured, partly or wholly stemmed, stripped	240120	Yes	Inspection, permit, subject to quota	Not Applicable
Ornamental fish, live	0301	Yes	Inspection, APHIS Veterinary Biology	Not Applicable
Fish fillets, frozen	0304	Yes	Inspection	Yes -National Marine Fisheries
Stock feeds (mixed feeds) preparations of a kind used in animal feeding o/t dog/cat food for retail sale	23099010	Yes	Inspection	Not Applicable
Game Trophies		Yes	Not Applicable	Not Applicable



Product Description	HTS Code	US Customs Clearance Required	USDA/APHIS Inspection or Import permit required	US FDA Release of product
Reptile skins, raw	410320	Yes	Inspection, permit, APHIS veterinary Biology (must comply with CITES)	Not Applicable
Bovine leather, otherwise pre-tanned	410421	Yes	Inspection, APHIS veterinary biology	Not Applicable
Raw vegetable materials used primarily in dyeing or tanning	140410	Yes	Inspection	Not Applicable
Wood (lumber) continuously shaped coniferous	440910	Yes AGOA specific	Finished goods do not require permit	Not Applicable
Wooden doors and frames	441820	Yes	Finished goods do not require permit	Not Applicable
Furniture	44209080	Yes	Not Applicable	Not Applicable
Wire and cable of refined copper	7413	Yes	Not Applicable	Not Applicable
Precious/semi precious stones (o/t diamonds unworked/simply sawn/rough shaped	7103	Yes	Not Applicable	Not Applicable
Silver in unwrought forms	7106	Yes	Not Applicable	Not Applicable
Rubies, sapphires and emeralds further worked than sawn or rough shaped	710391	Yes	Not Applicable	Not Applicable
Granite, crude or roughly trimmed	2516	Yes	Not Applicable	Not Applicable
Jewelry made from precious stones	7116	Yes	Not Applicable	Not Applicable
Jewelry made from precious metals	7113	Yes	Not Applicable	Not Applicable
Talc Powder	252620	Yes	Not Applicable	Not Applicable
Knitwear products	61	Yes-AGOA specific	Not Applicable	Not Applicable
Cotton yarn	5205	Yes AGOA specific	Not Applicable	Not Applicable
Boys cotton trousers	61034210	Yes AGOA specific	Not Applicable	Not Applicable
Plain weave cotton	520811	Yes AGOA specific	Not Applicable	Not Applicable

Product Description	HTS Code	US Customs Clearance Required	USDA/APHIS Inspection or Import permit required	US FDA Release of product
fabric				
Twill weave cotton fabric	520813	Yes AGOA specific	Not Applicable	Not Applicable
Original sculptures and statuary, in any material	9703	Yes	Not Applicable	Not Applicable
Basket work, wicker work and other articles	4602	Yes AGOA specific	Not Applicable	Not Applicable
Printed books	4901	Yes	Not Applicable	Not Applicable
Asbestos building products	2524	Yes	Not Applicable	Not Applicable

# Appendix D. Fruits and Vegetables Approved for Import into the United States-Zambia

## No Importer's Permit Required and Allowed in from All Countries

Aloe Vera (above ground parts)  
Bat nut or devil pod  
Cannonball fruit  
Chinese water chestnut  
Coconut  
Cyperus corn  
Garlic cloves, peeled  
Lily bulb (*Lilium sp.*)  
Maguay leaf  
Matsutake  
Mushroom  
Palm hearts (peeled) (All outer green tissue must be removed, leaving a white to off-white piece of the stem)  
Peanut  
St. Johns bread  
Singhara nut (*trapa bispinosa*)  
Tamarind bean pod  
Truffle  
Water Chestnut

## Permit Required for Zambian Goods

Snow Pea (immature pod)



Appendix E. Duty Rates, Total U.S. Imports, and Top  
Exporters to the United States for Selected Zambian  
Products



### Duty Rates, Total U.S. Imports, and Top Exporters to the United States for Selected Zambian Products

Commodity	HTS Code	Total \$ US Imports, 2001 (in \$1,000)	Country (top 5)	Amount (in \$1,000)	NTR Rate 2002	AGOA Rate 2002	Products Eligible under AGOA
<b>AGRICULTURE, FORESTRY, FISHING AND HUNTING</b>							
1. Cut flowers/buds for ornamental purposes	06031080	<b>208,905</b>	Netherlands Colombia Ecuador Canada Mexico	63,999 62,370 27,290 14,755 11,126	6.4%	6.4%	
1.a. Fresh Roses	06031060	205,695	Colombia Ecuador Mexico Guatemala Netherlands Zambia (9)	133,219 59,137 10,054 4,419 2,815 149	6.8%	<b>DUTY- FREE</b>	
2. Cotton, not carded or combed	5201	<b>4,123</b>	Egypt Turkey Mexico India Greece	18,950 672 532 245 192	0	0	
3. Coffee, not roasted, not decaffeinated	090111	<b>1,176,027</b>	Mexico Colombia Guatemala Brazil El Salvador	385,132 381,975 295,212 247,321 135,010	0	0	
<b>4. Unroasted Arabica coffee</b>	09011110						
5. Coffee, roasted, decaffeinated	090122	<b>19,446</b>	Canada Sweden Italy Mexico United Kingdom	9,241 5,572 2,827 1,280 698	0	0	

Commodity	HTS Code	Total \$ US Imports, 2001 (in \$1,000)	Country (top 5)	Amount (in \$1,000)	NTR Rate 2002	AGOA Rate 2002	Products Eligible under AGOA
6. Coffee, roasted, caffeinated	090121	<b>138,780</b>	Canada	75,738	0	0	
			Sweden	20,191			
			Italy	13,969			
			Costa Rica	12,801			
			Dominican Rep.	7,998			
7. Herbaceous plant seeds	120930	<b>46,935</b>	Japan	12,478	0	0	
			Netherlands	9,734			
			Guatemala	7,781			
			Germany	6,430			
			Chile	5,278			
8. Peas, shelled or unshelled, fresh or chilled	070810	<b>15,566</b>	Mexico	8,233	0	0	
			Guatemala	4,271			
			Peru	1,602			
			Canada	87			
			Ecuador	27			
			Zambia (6)	8			
9. Beans, shelled or unshelled, fresh or chilled	07082090	<b>32,257</b>	Mexico	27,625	0	<b>DUTY FREE</b>	
			Canada	983			
			Guatemala	490			
			Peru	80			
			Dominican Rep.	56			
			Zambia (16)	2			
10. Raw sugar, cane	170111	<b>479,601</b>	Dominican Rep.	77,950	0	0	
			Brazil	56,048			
			Philippines	34,812			
			Australia	32,964			
			Guatemala	31,220			
11. Soya-bean oil-cake & other solid residues, whether or not ground or pellet	2304	<b>8,405</b>	Canada	6,161	0	<b>DUTY FREE</b>	
			United Kingdom	25			
			China	14			
			Taiwan	12			
			Israel	5			



Commodity	HTS Code	Total \$ US Imports, 2001 (in \$1,000)	Country (top 5)	Amount (in \$1,000)	NTR Rate 2002	AGOA Rate 2002	Products Eligible under AGOA
12. Cotton seeds, whether, or not broken	120720	<b>38,900</b>	Australia	38,759	0	<b>DUTY FREE</b>	
			Burkina Faso	1,839			
			Mexico	248			
			South Africa	140			
			Costa Rica	115			
13. Refined sugar, in solid form	1702	<b>158,997</b>	Canada	97,386	6% <sup>1</sup>	6% <sup>1</sup>	
			Brazil	13,653			
			Colombia	10,314			
			Mexico	6,792			
			South Africa	6,581			
14. Soya beans	1201	<b>31,182</b>	Canada	27,644	0	0	
			Argentina	3,612			
			Taiwan	983			
			Brazil	588			
			China	505			
15. Maize (corn) bran, sharps & other residues, pelleted or not	1005	<b>134,683</b>	Chile	81,901	0	0	
			Argentina	35,636			
			Canada	28,617			
			France	7,187			
			Mexico	3,549			
16. Ground nuts shelled, whether broken or not, not roasted or cooked	1202	<b>39,548</b>	Argentina	57,067	0	<b>DUTY FREE</b>	
			Mexico	6,837			
			Nicaragua	4,312			
			South Africa	2,598			
			Australia	157			
			Zambia (9)	158 (1999) 0 (2000)			
17. Honey, natural	0409	<b>71,596</b>	Argentina	42,858	0	<b>DUTY FREE</b>	
			China	22,328			
			Canada	17,574			
			Mexico	2,417			
			Vietnam	1,406			

Commodity	HTS Code	Total \$ US Imports, 2001 (in \$1,000)	Country (top 5)	Amount (in \$1,000)	NTR Rate 2002	AGOA Rate 2002	Products Eligible under AGOA
18. Eggs, bird, in shell, fresh, preserved or cooked	0407	<b>13,822</b>	Canada	6,831	0	0	
			China	3,426			
			United Kingdom	777			
			France	527			
			Taiwan	362			
19. Peppers of genus Capsicum or of genus Pimenta, fresh or chilled	07096040	<b>328,496</b>	Mexico	134,773	0	0	
			Canada	49,097			
			Netherlands	48,928			
			Israel	10,628			
			Spain	6,321			
20. Dried spices (ginger, saffron, tumeric, thyme, bay leaves, curry and other spices)	0910	<b>58,513</b>	Turkey	11,535	0	0	
			Spain	8,707			
			China	7,887			
			India	7,173			
			Israel	5,833			
21. Dried fruits	0813	<b>53,350</b>	Turkey	29,346	25%	<b>DUTY FREE</b>	Eligible for 0813.20.10, 0813.20.20, 0813.40.15, 0813.40.30, 0813.40.40, 0813.40.90, 0813.50.00 which are items such as dried cherries, dried barberries, dried peaches, etc.
			Chile	5,106			
			Argentina	4,060			
			Thailand	2,466			
			China	2,284			
22. Dried vegetables	0712	<b>97,502</b>	China	27,494	83% <sup>2</sup>	<b>DUTY FREE</b>	Eligible for 0712.20.20, 0712.20.40, 0712.30.20, 0712.90.20, 0712.90.78 which are items such as dried tomatoes, dried mushrooms, dried olives, etc.
			Spain	13,517			
			Mexico	11,174			
			Israel	6,764			
			Chile	6,145			

Commodity	HTS Code	Total \$ US Imports, 2001 (in \$1,000)	Country (top 5)	Amount (in \$1,000)	NTR Rate 2002	AGOA Rate 2002	Products Eligible under AGOA
23. Paprika	09042020	<b>18,037</b>	Spain	8,310	0	0	
			Chile	4,325			
			Brazil	1,053			
			South Africa	911			
			Israel	745			
			Zambia (11)	140			
24. Tobacco, unmanufactured, partly or wholly stemmed/stripped	240120	<b>375,431</b>	Brazil	136,964	0 <sup>3</sup>	0 <sup>3</sup>	
			Malawi	36,543			
			Argentina	23,226			
			Thailand	22,112			
			Guatemala	12,142			
25. Ornamental fish, live	0301	<b>40,862</b>	Thailand	9,229	0	0	
			Singapore	7,961			
			Indonesia	5,082			
			Hong Kong	3,650			
			Philippines	2,943			
			Zambia (14)	658			
26. Fish fillets frozen	0304	<b>1,775,087</b>	Chile	377,051	0 <sup>4</sup>	0 <sup>4</sup>	
			Canada	298,361			
			China	254,156			
			Iceland	163,361			
			Russia	81,793			
27. Stock feeds (mixed feeds) (preparations of a kind used in animal feeding o/t dog/cat food put up for retail sale)	23099010	<b>211,722</b>	Canada	102,087	0	0	
			Germany	37,920			
			United Kingdom	24,139			
			China	17,566			
			Japan	13,303			
<b>28. Game trophies</b>							

Commodity	HTS Code	Total \$ US Imports, 2001 (in \$1,000)	Country (top 5)	Amount (in \$1,000)	NTR Rate 2002	AGOA Rate 2002	Products Eligible under AGOA
29. Reptile skins, raw	410320	402	Colombia	1,285			
			Zimbabwe	201			
			South Africa	152			
			Indonesia	118			
			France	69			
30. Bovine leather, otherwise pre-tanned	410421	17,496	Mexico	9,279	5%	0%	
			Brazil	5,395			
			Argentina	2,965			
			Italy	503			
			Colombia	434			
31. Raw vegetable materials used primarily in dyeing or tanning	140410	888	Peru	456	0	0	
			Guatemala	43			
			Turkey	34			
			Cote d'Ivoire	32			
			El Salvador	15			
<b>WOOD PRODUCTS</b>							
32. Wood (lumber) continuously shaped coniferous	440910	588,475	Canada	203,473	3.2%	<b>DUTY FREE RATES</b>	**eligible for 4409.10.65 Coniferous wood dowel rods, continuously shaped along any of its edges or faces, sanded, grooved or otherwise advanced in condition
			Chile	141,442			
			Mexico	81,369			
			Brazil	77,500			
			New Zealand	41,843			
33. Wooden doors and frames	441820	415,911	Canada	208,134	4.8%	0.0%	
			Mexico	41,641			
			Brazil	33,566			
			Malaysia	26,143			
			Chile	21,045			

Commodity	HTS Code	Total \$ US Imports, 2001 (in \$1,000)	Country (top 5)	Amount (in \$1,000)	NTR Rate 2002	AGOA Rate 2002	Products Eligible under AGOA
34. Furniture	44209080	<b>163,654</b>	China	111,758	3.2%	0.0%	
			Thailand	12,413			
			Indonesia	5,785			
			Taiwan	5,725			
			Canada	3,304			
<b>PRECIOUS STONES OR OTHER MINING PRODUCTS</b>							
35. Wire and cable of refined copper	7413	<b>32,711</b>	Israel	16,085	2% <sup>5</sup>	0	
			Turkey	6,268			
			Canada	3,234			
			Germany	2,516			
			Poland	1,701			
36. Precious/semi-precious stones (o/t diamonds) unworked/simplely sawn/rough shaped	7103	<b>571,967</b>	Thailand	174,687	10.5%	0.0%	
			India	121,576			
			Hong Kong	72,200			
			Colombia	68,281			
			Israel	48,716			
			Zambia (14)	6,519			
37. Silver in unwrought forms	7106	<b>530,922</b>	Canada	262,620	3% <sup>6</sup>	0	
			Mexico	241,494			
			United Kingdom	181,590			
			Japan	26,993			
			Peru	22,089			
38. Rubies, sapphires and emeralds further worked than sawn or rough shaped	710310	<b>22,726</b>	Brazil	12,965	0 <sup>7</sup>	0 <sup>7</sup>	
			Thailand	10,347			
			Zambia	4,956			
			Australia	3,382			
			South Africa	2,030			
39. Granite, crude or roughly trimmed	2516	<b>24,231</b>	Canada	5,384	0	0	
			South Africa	4,809			
			Italy	3,729			
			Brazil	2,194			
			India	2,163			

Commodity	HTS Code	Total \$ US Imports, 2001 (in \$1,000)	Country (top 5)	Amount (in \$1,000)	NTR Rate 2002	AGOA Rate 2002	Products Eligible under AGOA
40. Jewelry made from precious stones	7116	<b>186,983</b>	China Hong Kong India United Kingdom Japan	51,202 27,125 20,080 10,779 9,702	0 <sup>8</sup>	0 <sup>8</sup>	
41. Jewelry made from precious metals	7113	<b>5,334,120</b>	Italy India Thailand Hong Kong China	1,479,189 660,535 625,028 571,598 261,565	7% <sup>9</sup>	0	
42. Talc Powder	252620	<b>14,436</b>	Canada Japan France China Italy	14,339 1,017 429 346 151	0	0	
<b>TEXTILE PRODUCTS</b>							
<b>43. Textile Garments and Apparel</b>							
44. Knitwear Products	61	<b>26,858,264</b>					
45. Cotton yarn	5205	<b>292,865</b>	Pakistan Mexico Canada Italy Egypt	73,869 68,006 32,326 22,895 22,257	3.7% <sup>10</sup>	3.7% <sup>10</sup>	

Commodity	HTS Code	Total \$ US Imports, 2001 (in \$1,000)	Country (top 5)	Amount (in \$1,000)	NTR Rate 2002	AGOA Rate 2002	Products Eligible under AGOA
46. Boys cotton trousers	61034210	<b>210,479</b>	Mexico	53,892	16.3%	16.3%	
			Honduras	20,653			
			Dominican Rep	18,249			
			Turkey	17,316			
			El Salvador	10,634			
47. Plain weave cotton fabric	520811	<b>13,078</b>	China	7,814	7% <sup>11</sup>	7% <sup>11</sup>	
			Thailand	2,484			
			Canada	1,412			
			India	1,340			
			Indonesia	766			
48. Twill weave cotton fabric	520813	<b>2,855</b>	Mexico	1,528	7.9%	7.9%	
			Canada	1,208			
			Pakistan	1,082			
			Turkey	654			
			Bahrain	515			
<b>OTHER</b>							
49. Original sculptures and statuary, in any material	9703	<b>336,836</b>	United Kingdom	90,132	0	0	
			France	84,637			
			Italy	67,792			
			Switzerland	48,449			
			Canada	20,473			
50. Basket work, wicker work and other articles	4602	<b>295,524</b>	China	203,475	66% <sup>12</sup>	<b>DUTY FREE RATES</b>	4602.10.21, 4602.10.22, 4602.10.25, 4602.10.29 items such as luggage, handbags and flat goods made of rattan, willow, etc.
			Philippines	37,258			
			Indonesia	16,294			
			Hong Kong	4,339			
			Taiwan	1,747			

Commodity	HTS Code	Total \$ US Imports, 2001 (in \$1,000)	Country (top 5)	Amount (in \$1,000)	NTR Rate 2002	AGOA Rate 2002	Products Eligible under AGOA
51. Printed books	4901	<b>1,761,210</b>	United Kingdom	331,824	0 <sup>3</sup>	0 <sup>3</sup>	
			Canada	285,177			
			Hong Kong	230,075			
			China	221,487			
			Italy	96,869			
52. Asbestos building products	2524	<b>2,320</b>	Canada	2,295	0	0	
			Zimbabwe	111			
			South Africa	102			
			Venezuela	(1999) 104			
			Azerbaijan	(1999) 82			

NOTES

- 1 Sugars, nesoi, w/o 65% by dry wt. sugar
- 2 Dried vegetables, nesi, and mixture of dried vegetables
- 3 Tobacco, partly or wholly stemmed/stripped n/threshed or similarly processed, not cigarette leaf
- 4 Frozen fish fillets, skinned, in blocks weighing over 4.5 kg to be minced, ground or cut into pieces of uniform weight and dimension
- 5 Copper, cables, plaited bands and the like, not fitted with fittings and not made up into articles
- 6 Silver, unwrought (o/than bullion and dore)
- 7 Precious stones (o/than diamonds) and semi-precious stones, unworked
- 8 Precious stone articles, nesoi
- 9 Precious metal (o/than silver) rope, curb, etc. in continuous lengths whether or not plaited
- 10 Single cotton yarn, 85% more cotton by weight, of uncombed fibers, not over 14mm unbleached
- 11 Woven cotton fabric, 85% or more cotton
- 12 Basketwork and other articles, nesoi, of one or more of bamboo, rattan, willow or wood
- 13 Printed books, brochures, leaflets, and similar printed material in single sheets



Appendix F. African Growth and Opportunity Act Textile  
Certificate of Origin



1. Exporter Name & Address		2. Producer Name & Address	
3. Importer Name & Address		6. U.S./ African Fabric Producer Name & Address	
4. Description of Article	5. Preference Group	7. U.S./ African Yarn Producer Name & Address	
		8. U.S. Thread Producer Name & Address	
		9. Name of Handloomed, Handmade or Folklore Article	
10. Name of Preference Group H Fabric or Yarn			

Preference Groups:

- A: Apparel assembled from U.S.-formed and cut fabric from U.S. yarn [19 CFR 10.213(a)(1)].
- B: Apparel assembled and further processed from U.S.-formed and cut fabric from U.S. yarn [19 CFR 10.213(a)(2)].
- C: Apparel cut and assembled from U.S. fabric from U.S. yarn and thread [19 CFR 10.213(a)(3)].
- D: Apparel assembled from regional fabric from yarn originating in the U.S. or one or more beneficiary countries [19 CFR 10.213(a)(4)].
- E: Apparel assembled in one or more lesser developed beneficiary countries [19 CFR 10.213(a)(5)].
- F: Sweaters knit to shape in chief weight of cashmere [19 CFR 10.213(a)(6)].
- G: Sweaters knit to shape with 50 percent or more by weight of fine wool [19 CFR 10.213(a)(7)].
- H: Apparel cut and assembled in one or more beneficiary countries from fabrics or yarn not formed in the United States or a beneficiary country (as identified in NAFTA) or designated as not available in commercial quantities in the United States [19 CFR 10.213(a)(8) or (a)(9)].
- I: Handloomed, handmade or folklore articles [19 CFR 10.213(a)(10)].

I certify that the information on this document is complete and accurate and I assume the responsibility for proving such representations. I understand that I am liable for any false statements or material omissions made on or in connection with this document.

I agree to maintain, and present upon request, documentation necessary to support this certificate.

12. Authorized Signature		13. Company	
14. Name (Print or Type)		15. Title	
16a. Date(DD/MM/YY)	16b. Blanket Period From:        To:	17. Telephone Number Facsimile Number	



## Appendix G. Sub-Saharan Africa—Major U.S. Import Suppliers under the GSP and AGOA

YEAR-TO-DATE FROM JAN-DEC (THOUSANDS OF DOLLARS, CUSTOMS VALUE)

Country	GSP and AGOA 2000 YTD	GSP and AGOA 2001 YTD	GSP 2000 YTD	GSP 2001 YTD	AGOA 2000 YTD	AGOA 2001 YTD
Nigeria	71	5,688,461	71	359	0	5,688,102
Angola	2,843,677	2,511,022	2,843,677	2,511,022	0	0
Gabon	10	938,760	10	65	0	938,695
South Africa	583,176	923,243	583,176	505,987	0	417,256
Congo (ROC)	4,380	130,235	4,380	1,489	0	128,746
Lesotho	0	129,592	0	69	0	129,523
Congo (DROC)	173,787	118,527	173,787	118,527	0	0
Equatorial Guinea	136,284	115,945	136,284	115,945	0	0
Madagascar	4,720	97,105	4,720	4,959	0	92,145
Kenya	3,919	58,873	3,919	3,783	0	55,090
Mauritius	9,658	53,975	9,658	15,076	0	38,899
Zimbabwe	61,251	44,037	61,251	44,037	0	0
Ghana	13,539	42,889	13,539	9,796	0	33,092
Cameroon	2,804	37,174	2,804	443	0	36,731
Malawi	23,218	35,362	23,218	23,305	0	12,057
Swaziland	11,957	14,770	11,957	6,456	0	8,314
Cote d'Ivoire	22,317	13,321	22,317	13,321	0	0
Mozambique	10,701	5,278	10,701	5,278	0	0
Seychelles	4,662	4,230	4,662	4,230	0	0
Togo	3,355	3,977	3,355	3,977	0	0
Botswana	2,922	1,221	2,922	1,221	0	0
Tanzania	1,392	899	1,392	883	0	16
Ethiopia	927	822	927	607	0	215
Zambia	466	775	466	765	0	10
Senegal	781	567	781	567	0	0
Sierra Leone	245	387	245	387	0	0
Rwanda	324	318	324	53	0	265
Mali	387	293	387	293	0	0
Guinea	100	191	100	191	0	0
Benin	1,414	178	1,414	178	0	0
Cape Verde	0	152	0	152	0	0
Uganda	78	141	78	141	0	0
Burkina Faso	1,970	94	1,970	94	0	0
Namibia	154	93	154	93	0	0

Country	GSP and AGOA 2000 YTD	GSP and AGOA 2001 YTD	GSP 2000 YTD	GSP 2001 YTD	AGOA 2000 YTD	AGOA 2001 YTD
Niger	16	42	16	42	0	0
Gambia	24	1	24	1	0	0
Burundi	0	0	0	0	0	0
Central African Republic	13	0	13	0	0	0
Guinea-Bissau	0	0	0	0	0	0
Somalia	324	0	324	0	0	0
Sudan	0	0	0	0	0	0
Sao Tome & Prin	0	0	0	0	0	0
Mauritania	2	0	2	0	0	0
Liberia	0	0	0	0	0	0
Eritrea	0	0	0	0	0	0
Djibouti	86	0	86	0	0	0
Chad	0	0	0	0	0	0
Comoros	0	0	0	0	0	0
<b>Total</b>	<b>3,925,110</b>	<b>10,972,949</b>	<b>3,925,110</b>	<b>3,393,791</b>	<b>0</b>	<b>7,579,158</b>

Note: Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce

## Appendix H. Zambia—U.S. Exports, Imports, GSP Imports, and AGOA Imports

BY MAJOR COMMODITY SECTORS, ANNUAL AND YEAR TO DATE JAN – DEC (\$1,000)

Sector	1999	2000	2001	2000 YTD	2001 YTD
<b>Agricultural products</b>					
Exports	500	485	765	485	765
Imports	2,004	1,385	1,213	1,385	1,213
GSP imports	134	229	86	229	86
AGOA imports	0	0	10	0	10
<b>Forest products</b>					
Exports	3,266	400	231	400	231
Imports	1,231	852	1,261	852	1,261
GSP imports	2	132	677	132	677
AGOA imports	0	0	0	0	0
<b>Chemicals and related products</b>					
Exports	961	2,913	2,208	2,913	2,208
Imports	0	0	0	0	0
GSP imports	0	0	0	0	0
AGOA imports	0	0	0	0	0
<b>Energy-related products</b>					
Exports	11	67	1	67	1
Imports	0	0	0	0	0
GSP imports	0	0	0	0	0
AGOA imports	0	0	0	0	0
<b>Textiles and apparel</b>					
Exports	933	929	935	929	935
Imports	8	258	227	258	227
GSP imports	0	0	0	0	0
AGOA imports	0	0	0	0	0
<b>Footwear</b>					
Exports	106	53	139	53	139
Imports	0	2	0	2	0
GSP imports	0	0	0	0	0
AGOA imports	0	0	0	0	0
<b>Minerals and metals</b>					
Exports	132	427	156	427	156
Imports	33,955	14,031	12,384	14,031	12,384
GSP imports	185	98	2	98	2
AGOA imports	0	0	0	0	0

Sector	1999	2000	2001	2000 YTD	2001 YTD
<b>Machinery</b>					
Exports	2,159	1,682	2,031	1,682	2,031
Imports	0	0	0	0	0
GSP imports	0	0	0	0	0
AGOA imports	0	0	0	0	0
<b>Transportation equipment</b>					
Exports	4,985	4,301	3,944	4,301	3,944
Imports	0	0	0	0	0
GSP imports	0	0	0	0	0
AGOA imports	0	0	0	0	0
<b>Electronic products</b>					
Exports	3,397	4,310	3,124	4,310	3,124
Imports	0	3	1	3	1
GSP imports	0	0	0	0	0
AGOA imports	0	0	0	0	0
<b>Miscellaneous manufactures</b>					
Exports	233	57	196	57	196
Imports	93	97	18	97	18
GSP imports	0	6	1	6	1
AGOA imports	0	0	0	0	0
<b>Special provisions</b>					
Exports	3,016	3,146	1,758	3,146	1,758
Imports	566	1,099	481	1,099	481
GSP imports	0	0	0	0	0
AGOA imports	0	0	0	0	0
<b>All sectors</b>					
Exports	19,700	18,770	15,487	18,770	15,487
Imports	37,857	17,727	15,584	17,727	15,584
GSP imports	321	466	765	466	765
AGOA imports	1	0	10	0	10

SOURCE: Compiled from official statistics of the U.S. Department of Commerce.



# Appendix I. What U.S. Firms Look for When Choosing an Overseas Supplier

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Dependable Supplier	<ul style="list-style-type: none"><li>• Ability to communicate clearly and effectively.</li><li>• Accessibility via normal communications (i.e., fax, email, telephone).</li><li>• Adequate access to finance and working capital.</li><li>• Ability to promise continuity of supply.</li></ul>
Quality of Product	<ul style="list-style-type: none"><li>• Good quality, on par with international standards or better.</li><li>• Safety (i.e., no dangerous chemicals used in production).</li><li>• Good quality packaging with nice appearance.</li><li>• Unique product raw material found only in that geographic region.</li></ul>
Logistics of Importing	<ul style="list-style-type: none"><li>• Proximity to port of shipment or airport.</li><li>• Cost of transportation to United States either by air or ocean</li><li>• Regulations for imports from supplier's country.</li><li>• Regulations for exports from supplier's country.</li></ul>
Methods of Payment	<ul style="list-style-type: none"><li>• Letter of Credit is standard payment for international transactions.</li><li>• Letter of Credit cannot be drawn against for purposes of advancing working capital from supplier's bank.</li><li>• Not likely to pay by cash advance or deposit against receiving goods.</li></ul>
Business with Africa	<ul style="list-style-type: none"><li>• Few firms have experience with supply possibilities from Africa beyond raw materials.</li><li>• Negative perception about quality of certain products, especially fresh foods.</li><li>• Concern over African firms' access to finance and working capital.</li><li>• Concern over transportation with perishable products. No direct flights from Zambia to the United States.</li><li>• American firms have more confidence in Asia or Latin America.</li><li>• American importers ALWAYS looking for new sources or products.</li></ul>

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## Appendix J. Internet Contact Information for U.S. Importers of Selected Products

### Importers of Paprika/Capsicum HS# 07096040

Chart Corporation, Inc. [www.chartcorp.com](http://www.chartcorp.com)  
Occidental International Foods [www.occidentalfoods.com](http://www.occidentalfoods.com)  
Oregon Spice Company [www.oregonspice.com](http://www.oregonspice.com)

### Importer of skins, hides HS# 410320

Global Imports [www.global-products.com](http://www.global-products.com) \*\*Import from Africa  
Importers of Dried Fruits **HS# 0813**, and Nuts **HS#1202**  
Red River Foods Inc. [www.redriverfoods.com/contact.asp](http://www.redriverfoods.com/contact.asp)  
RDM International [www.rdmintl.com/about](http://www.rdmintl.com/about)  
Great Lakes International Trading [www.glit.com/frontpage](http://www.glit.com/frontpage)  
J.F. Braun & Sons, Inc. [www.jfbny.com/contact](http://www.jfbny.com/contact)  
Liberty Richter [www.libertyrichter.com/products/fruits](http://www.libertyrichter.com/products/fruits)

### Precious Stones HS#7103

Globe Gem [www.globegem.com/globe](http://www.globegem.com/globe) \*\*Import from Africa  
T.W. Imports/Exports [www.chrystals-gems.com](http://www.chrystals-gems.com)  
Multistone International, Inc. [www.multistone.com](http://www.multistone.com) \*\*Import from Africa  
JD Findings [www.jdfindings.com](http://www.jdfindings.com) \*\*Importer from Africa  
Alpha Imports [www.alphaimports.com](http://www.alphaimports.com) \*\*Importers from Africa

### Flowers HS#060310

Stems Incorporated [www.stemsinc.com](http://www.stemsinc.com)  
LW Flowers.com [www.lwflowers.com](http://www.lwflowers.com)  
Fischer & Page [www.fischerandpage.com](http://www.fischerandpage.com)  
Eden Floral Farms [www.edenfloral.com/html/about](http://www.edenfloral.com/html/about)  
Cut Flowers Wholesale Inc. [www.cutflower.com/introduc.htm](http://www.cutflower.com/introduc.htm)



## Appendix K. Trade Associations

American Sugar Cane League of the USA **HS#170111**

Tel: +1 (985) 448-3707, Fax +1 (985) 448-3722 Members:650

American Seed Trade Association **HS#120930**

Tel: +1 (703) 837-8140, Fax +1 (703) 837-4365 [www.amseed.com](http://www.amseed.com) Members: 800

Soyfoods Association of North America **HS#2304, 1201**

Tel: +1 (925) 283-2991 [www.soyfoods.org](http://www.soyfoods.org) Members: 92

National Cottonseed Products Association **HS#120720**

Tel: +1 (901) 682-0800 [www.cottonseed.com](http://www.cottonseed.com) Members: 250

Silver Users Association **HS#7106**

Tel: +1 (202) 785-3050 [www.silveruserassociation.org](http://www.silveruserassociation.org) Members: 30

Leather Industries of America **HS#410421**

Tel: +1 (202) 342-8086 fax: +1 (202) 342-9063 [www.leatherusa.com](http://www.leatherusa.com) Members: 250

Gemological Institute of America **HS# 7103**

Tel: +1 (760) 603-4000 Fax: +1 (760) 603-4080 [www.gia.edu](http://www.gia.edu) Members: 3,900

International Wholesale Furniture Association **HS# 44209080**

Tel: +1 (336) 884-1566 Fax: +1 (336) 884-1350 [www.iwfa.org](http://www.iwfa.org) Members: 130

National Honey Board **HS#0409**

Tel: +1 (303) 776-2337 Fax: +1 (303) 776-1177 [www.nhb.org/about](http://www.nhb.org/about)

American Flower Importers Association **HS#060310**

Tel: +1 (214) 742-2747 Fax: +1 (214) 2648 [www.afia.org](http://www.afia.org)

American Feed Industry Association **HS# 23099010**

Tel: +1 (703) 524-0810 Fax: +1 (703) 524-1921 [www.feedsearch.com](http://www.feedsearch.com)

Cotton Council International **HS#5205**

Tel: +1 (202) 745-7805 Fax: +1 (202) 483-4040 [www.cottonusa.org](http://www.cottonusa.org)

National Coffee Association of U.S.A. **HS# 09011110**

Tel: +1 (212) 766-4007 Fax: +1 (212) 766-5815 [www.ncausa.org](http://www.ncausa.org) Members: 185