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Tariff Whiplash in Africa: What Happened and What's to Come

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In 2025, we wrote about the potential impact of President Trump's tariffs on more than 30 sub-Saharan African countries that had enjoyed duty-free treatment under the African Growth and Opportunity Act (AGOA) for 25 years. We concluded that because only a handful of AGOA countries exported significantly to the US market, and many key exports were exempt, only a few economies would materially suffer. This has been largely borne out, as we share below. A notable irony is that the relatively lackluster success of AGOA in meeting its original goal of spurring African exports ultimately helped insulate most countries from its sudden *de facto* end.

In the wake of recent US trade policy developments, we also consider what's next. Following the Supreme Court's February 2026 ruling against the administration, the White House imposed new across-the-board rates of 10 percent but these were limited by statute to 150 days and automatically lapsed on July 24, restoring duty-free access under AGOA for nearly all eligible countries (Angola, Nigeria, and South Africa were immediately hit with 12.5 percent tariffs under a different authority). AGOA is on track to be reauthorized when it expires in December although it is possible that the Administration will make duty free treatment contingent on concessions from eligible countries, especially for critical minerals.

Even if AGOA is extended, the US administration's policies over the last year should serve as a cautionary tale. The major lesson—which has been painfully absorbed by scores of countries over centuries of commerce—is that diversification of markets and products is key to balanced and sustained growth.

AGOA: Purpose and performance

To recap, starting in 2000, AGOA provided many sub-Saharan African countries with duty-free access for nearly 7,000 products. About thirty countries a year benefit from this access. The number of eligible countries varies because AGOA eligibility is reviewed annually based on an assessment of a candidate's performance on several criteria, including a market-based economy, rule of law, worker rights, and elimination of barriers to US goods and services.

AGOA was intended to support export-led growth and economic diversification in beneficiary countries. It did spur growth of some industries—notably apparel—but oil continued to dominate and remained the key export driver. US imports from AGOA countries peaked in 2008 at $86 billion when oil hit a record $147.50 per barrel. This correlation between oil prices and trade volumes diminished as the composition of AGOA country exports shifted. Throughout, AGOA's trade volumes remained a tiny fraction of total US trade, accounting for 0.7 percent in 2025.

Duty-free access to the US by AGOA beneficiaries was suddenly disrupted after the Administration's 2025 trade directive. It included a wide-ranging tariff regime (10 to 50 percent for AGOA countries), with individual rates initially (and arbitrarily) linked to the size of each country's bilateral trade deficit. Following a strong, negative market reaction, the Administration decided against the imposition of the most punitive tariff levels. For AGOA countries, they landed on total rates of 10 to 15 percent for all countries except South Africa, which was subject to a 30 percent rate (see Table 1).

AGOA was reauthorized through 2026 after expiring in September 2025. At that time, the administration's tariffs superseded the legislation, but due to their recent lapse, most AGOA countries again have duty-free access to the US. The Office of the United States Trade Representative (USTR) has since imposed new 10 to 12.5 percent tariffs on countries found to have ineffectively enforced bans on imports produced with forced labor, using Section 301 of the Trade Act of 1974 which authorizes the President to impose tariffs in response to "unjustifiable, unreasonable, or discriminatory foreign government acts, policies, or practices that burden or restrict U.S. commerce." But only Angola, Nigeria, and South Africa are subject to them (and they are being challenged by 25 states at the US Court of International Trade).

The Senate has overwhelmingly approved a two-year extension (90-6) for AGOA, although it has yet to be taken up by the House. In addition, USTR has shown a desire to align AGOA more closely with US interests, including through reciprocity requirements (i.e., AGOA countries would need to earn duty-free access by offering preferential access to critical minerals).

Table 1. How have American tariffs on AGOA countries changed since April 2025?

Original and revised US tariff rates for AGOA countries

Country	2 April 2025 tariff rate*	7 August 2025 tariff rate	24 February 2026 tariff rate	23 July 2026 tariff rate
Lesotho	50%	15%	10%	0%
Madagascar	47%	15%	10%	0%
Mauritius	40%	10%	10%	0%
Botswana	37%	15%	10%	0%
Angola	32%	15%	10%	12.5%
South Africa	30%	30%	10%	12.5%
Cote d’Ivoire	21%	15%	10%	0%
Namibia	21%	15%	10%	0%
Malawi	17%	15%	10%	0%
Zambia	17%	15%	10%	0%
Mozambique	16%	15%	10%	0%
Nigeria	14%	15%	10%	12.5%
Chad	13%	15%	10%	0%
DRC	11%	15%	10%	0%
Benin	10%	10%	10%	0%
Cabo Verde	10%	10%	10%	0%
Comoros	10%	10%	10%	0%
Congo, Republic	10%	10%	10%	0%
Djibouti	10%	10%	10%	0%
Eswatini	10%	10%	10%	0%
Gambia	10%	10%	10%	0%
Ghana	10%	15%	10%	0%
Guinea Bissau	10%	10%	10%	0%
Kenya	10%	10%	10%	0%
Liberia	10%	10%	10%	0%
Mauritania	10%	10%	10%	0%
Rwanda	10%	10%	10%	0%
Senegal	10%	10%	10%	0%
Sierra Leone	10%	10%	10%	0%
Tanzania	10%	10%	10%	0%
Togo	10%	10%	10%	0%

Source: USTR, US Census, WITS.

*Tariffs announced on April 2, 2025, were never enacted; tariffs were suspended and later replaced.

TARIFF SCHEDULE CHRONOLOGY

The tariff schedule has been volatile since the initial announcement on April 2, 2025. Here's a recap:

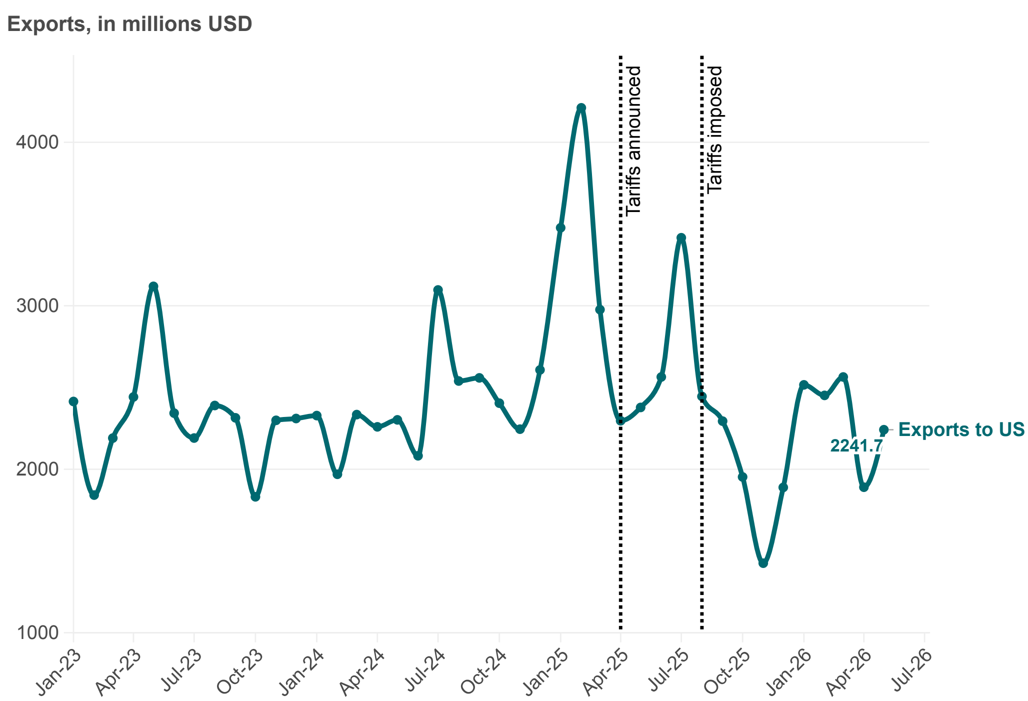
- Apr. 2, 2025: The administration announced that tariffs ranging from 10 to 50 percent would take effect in one week, with Lesotho, Mauritius, and Madagascar hit with especially punitive levels. Rates were based solely on bilateral trade deficits in goods, and these countries were penalized for not importing enough from the United States.
- Apr. 9, 2025: Market volatility prompted the administration to revise the tariffs to 10 percent across the board to allow for bilateral trade negotiations for 90 days with key trading partners.
- Aug. 7, 2025: The administration implemented revised tariff rates between 10 and 15 percent for all AGOA countries except South Africa, which maintained the previously announced 30 percent tariff rate.
- Sep. 30, 2025: AGOA lapsed but the expiration had no practical effect as the administration's tariffs had already ended duty-free access.
- Nov. 14, 2025: President Trump signed an executive order removing duties on more than 200 food products, including cocoa, coffee, and tropical fruits, which the US doesn't produce or only produces in small quantities. This was relevant for several AGOA countries including Rwanda and Côte d'Ivoire.
- Feb. 3, 2026: Congress reauthorized AGOA through 2026, but it had no practical effect because the administration's tariffs remained in place.
- Feb. 20, 2026: The Supreme Court ruled that the administration did not have the authority to impose tariffs unilaterally under the International Emergency Economic Powers Act (IEEPA). Four days later, the Administration imposed a blanket tariff rate of 10 percent under a separate statute for 150 days (the maximum time allowed).
- Jul. 24, 2026: The blanket 10 percent tariff expired and USTR announced tariffs ranging from 10 to 12.5 percent on 60 countries related to failure to ban forced labor in their supply chains. Among AGOA countries, the tariffs only applied to Angola, Nigeria, and South Africa.

Looking back: The tariff story is country-specific

AGOA countries' exports to the US declined slightly between April 2025 and May 2026 (see Figure 1), and by approximately 10 percent after the tariffs were imposed in August 2025, compared with the 2023-2024 average. There is also evidence of front-loading of exports from AGOA countries to avoid anticipated tariffs, first in January-March 2025 and again in July 2025 to get ahead of the August 7 tariff implementation date. From January through March 2025, before the tariff announcement, AGOA countries exported 55-65 percent more than during the same period in the preceding three years. In July 2025, the month before the tariffs were imposed, AGOA countries exported 42 percent more than in the three months preceding it.

Figure 1. How did AGOA countries' exports to the US change following Trump's tariffs?

AGOA countries combined exports to the United States, January 2023 to May 2026, in millions USD

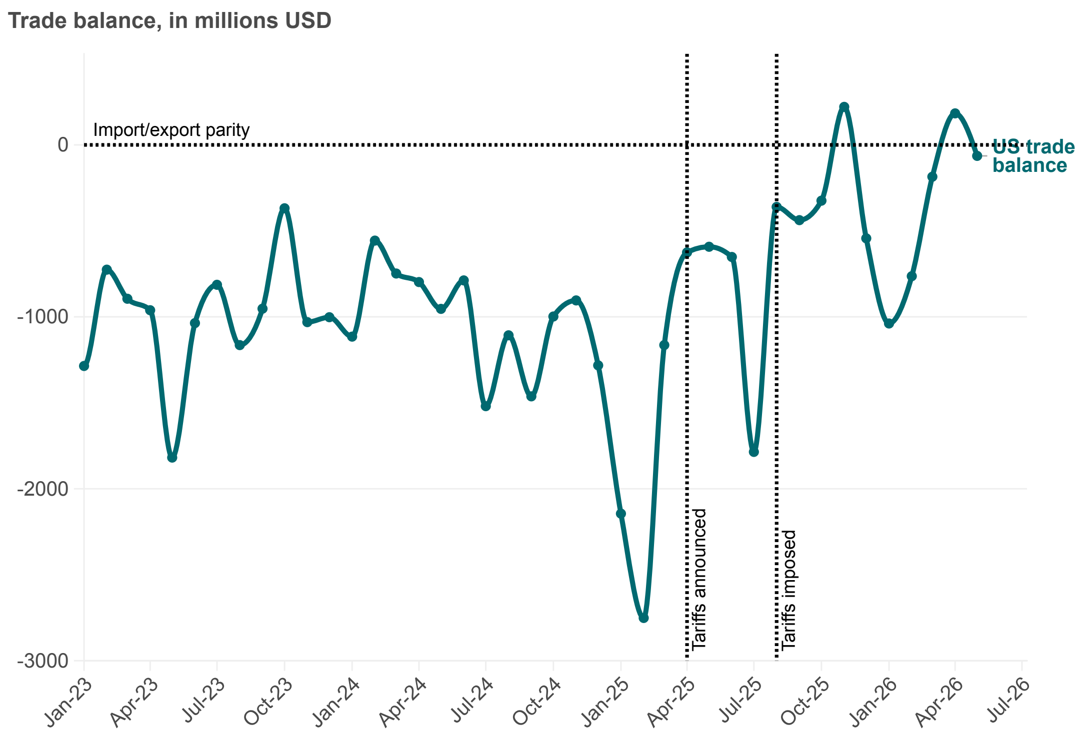


Source: World Bank International Debt Statistics.

In November 2025, the US registered a monthly trade surplus with AGOA countries for the first time since February 2019 (see Figure 2) and US exports to AGOA countries rose by 25 percent, on average, over the previous year. Much of this was due to increases in US energy exports, including large crude oil purchases by Nigeria's Dangote refinery. On the other hand, AGOA countries' exports to the US fell by 3.5 percent since April 2025, compared with the 2024 average.

Figure 2. How did the US trade balance with AGOA countries changed post-tariffs?

AGOA countries' trade balance with the US, January 2023 to May 2026, in millions USD



Source: US Census.

Due to the variation in tariffs and diversity of exports, aggregate figures do not tell us much, so we did a separate analysis looking at countries based on their exports and importance of the US market. We only included countries exporting more than $3 million of products to the US per month because smaller exporters' month-to-month variability is too extreme and impact on overall economic performance is de minimis (see Table 2). Key categories included: oil and gas, critical minerals, precious stones, apparel, and food and agriculture.

Table 2. How have AGOA countries' exports to the US changed since the start of the tariffs?

Average exports since April 2025 compared with 2024 monthly average exports

Country	US % share of exports (2023)	% change in exports since April 2025 (vs. 2024 average)**	Average monthly exports, USD millions (2024)
Liberia	37.45%	-20.31%	6.05
Lesotho	18.88%	-40.23%	19.77
Madagascar	12.58%	-12.92%	60.93
Mauritius	9.44%	-11.06%	19.47
South Africa	7.52%	-18.77%	1,223.73
Nigeria	7.46%	-16.93%	478.63
Kenya	6.41%	31.1%	61.41
Comoros	5.76%		0.15
Ghana	4.67%	27.09%	97.79
Cote d'Ivoire	4.18%	111.92%	84.56
Malawi	4.18%	37.19%	3.32
Togo	4.16%	-0.37%	7.49
Congo, Republic	3.56%	78.27%	3.34
Senegal	2.95%	-15.25%	17.12
Botswana	2.03%	-59.37%	33.75
Djibouti	1.59%	59.49%	3.35
Eswatini	1.39%		1.88
Mozambique	1.38%	-49.9%	18.01
Tanzania	1.34%	36.57%	17.07
Cabo Verde	1.21%		0.34
Rwanda	1.17%		2.53
Namibia	1.05%	-45.79%	22.88
Angola	1.02%	-55.05%	155.78
Benin	1.01%	1.03%	4.06
Zambia	0.54%	202.95%	14.05
Sierra Leone	0.46%		2.38
Mauritania	0.1%		0.24
Gambia	0.04%		0.16
DRC	0.01%	720.2%	26.93
Chad		-79.23%	6.74
Guinea Bissau			0.01

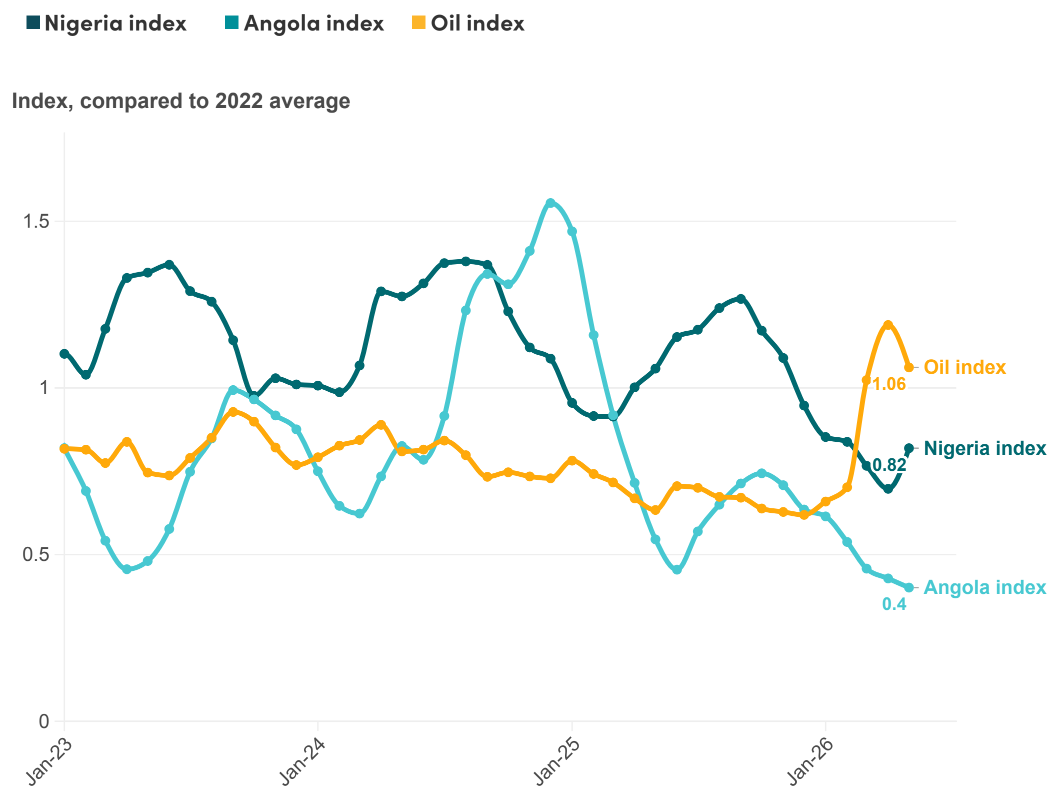
Source: USTR, US Census, WITS.
**Figures not included for countries with 2024 monthly average exports to the US of less than $3 million.

Oil and gas

Energy was and remains largely exempt from the tariffs, insulating the continent's major petroleum exporters. As a result, Angola and Nigeria were largely unaffected, as oil and petroleum make up more than 90 percent of their exports. Export figures show some volatility around the oil index, but this is not tariff-related.

Figure 3. Exports to the US have slightly declined among major AGOA oil producers

*Exports to the US from Angola and Nigeria and brent crude oil price as a multiple of average 2022 figures**



Source: US Census Bloomberg L.P.
*Indices for Angola and Nigeria are 6-month running averages which smooth month-to-month export variability. The oil index shows monthly average oil prices. All the inices show values compared to the 2022 monthly average.

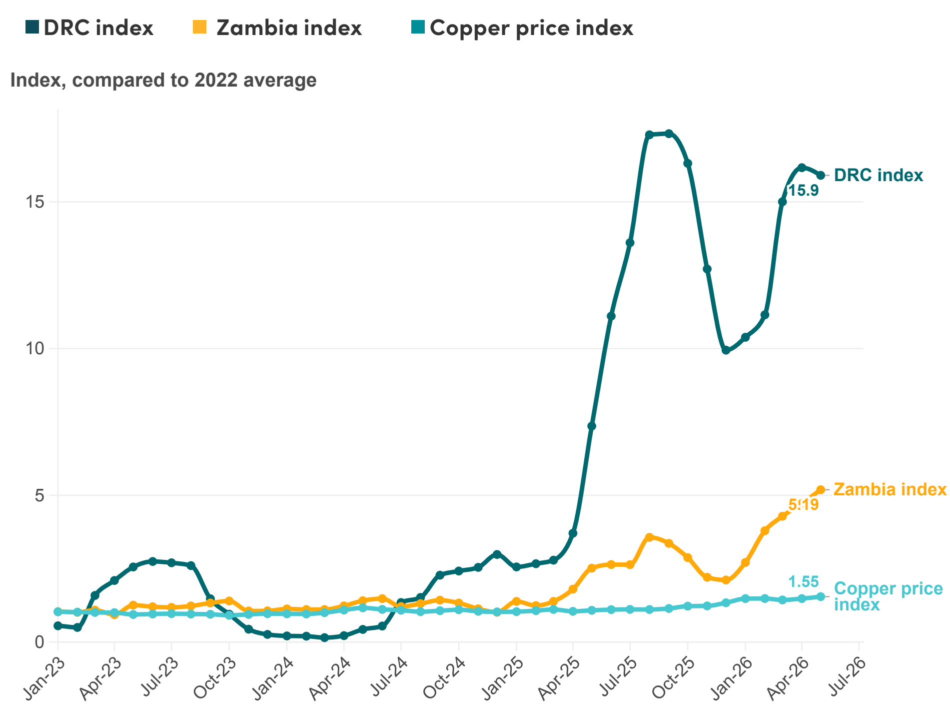
Critical minerals

Exports to the US rose in countries that produce large volumes of critical minerals, including refined copper, which were exempt from tariffs. This was especially beneficial to the DRC and Zambia. In fact, the US negotiated a strategic partnership with the DRC in 2025, which included an agreement to "establish a mechanism for strategic cooperation on critical mineral and other key assets in the Democratic Republic of the Congo." The DRC agreed to designate an initial list of critical minerals as part of a Strategic Asset Reserve and a Joint Steering Committee was created to identify possible "offtake targets" for the US market. Copper exports jumped shortly after the agreement was signed (see Figure 4). In contrast, negotiations over a memorandum of understanding with Zambia stalled after the US signaled its intent to condition support in the health sector on preferential access to critical minerals.

In addition, the administration is weighing a phased universal duty on refined copper—15 percent from January 1, 2027, rising to 30 percent in 2028—pending a Commerce Department report on domestic copper markets that was due on June 30, 2026 (but has yet to be issued). This decision, unlike the current exemption, will affect copper exports of AGOA countries.

Figure 4. Exports to the US have risen dramatically among AGOA copper producers

*Exports to the US from the DRC and Zambia and copper prices as a multiple of average 2022 figures**



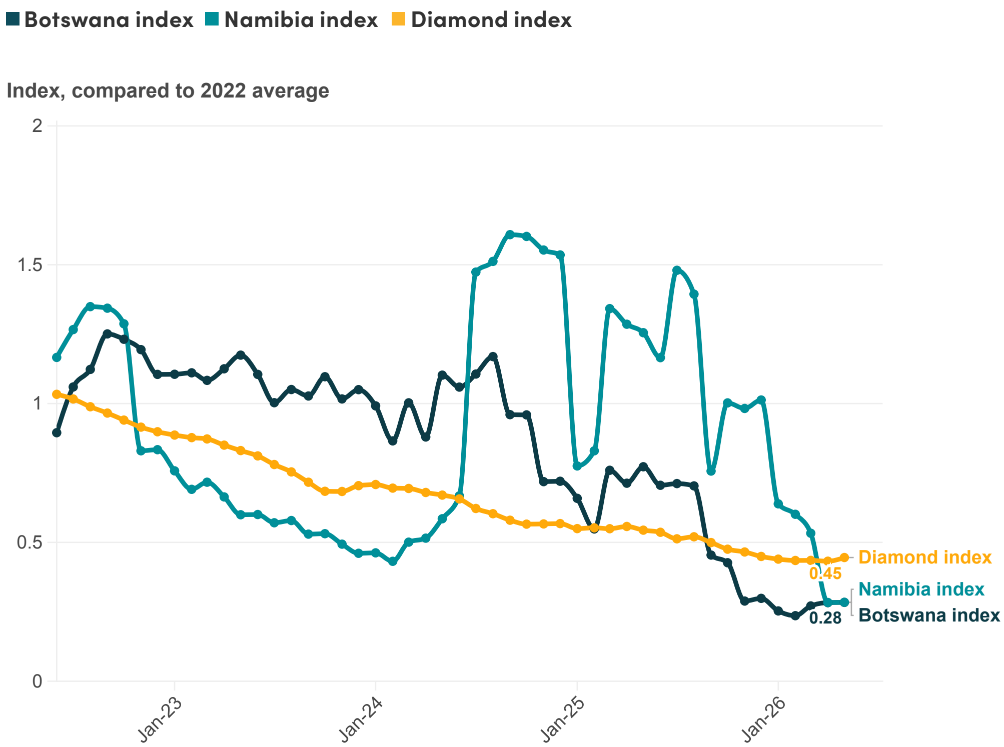
Source: US Census, Bloomberg L.P.
*Indices for DRC and Zambia are 6-month running averages which smooth month-to-month export variability. The copper index shows monthly average copper prices. All the indices show values compared to the 2022 monthly average.

Precious stones

Countries like Botswana and Namibia that rely significantly on precious stone exports as a revenue source have seen a sharp decline in exports due to the global downward trend in the diamond market, which is facing stiff competition from lab-grown gems. After peaking in 2022, natural diamond prices have fallen by more than 25 percent. Lab-grown diamond prices are falling faster, further increasing their cost advantage. This is an existential challenge for major diamond exporters, which will not be materially helped by the resumption of duty-free access to the US (see Figure 5).

Figure 5. Exports to the US have declined among major AGOA diamond exporters

Exports to the US from Botswana and Namibia and diamond prices as a multiple of average 2022 figures



Source: US Census, Bloomberg L.P.
*Indices for Botswana and Namibia are 6-month running averages which smooth month-to-month export variability. The diamond index is of monthly average diamond prices. All the indices show values compared to the 2022 monthly average.

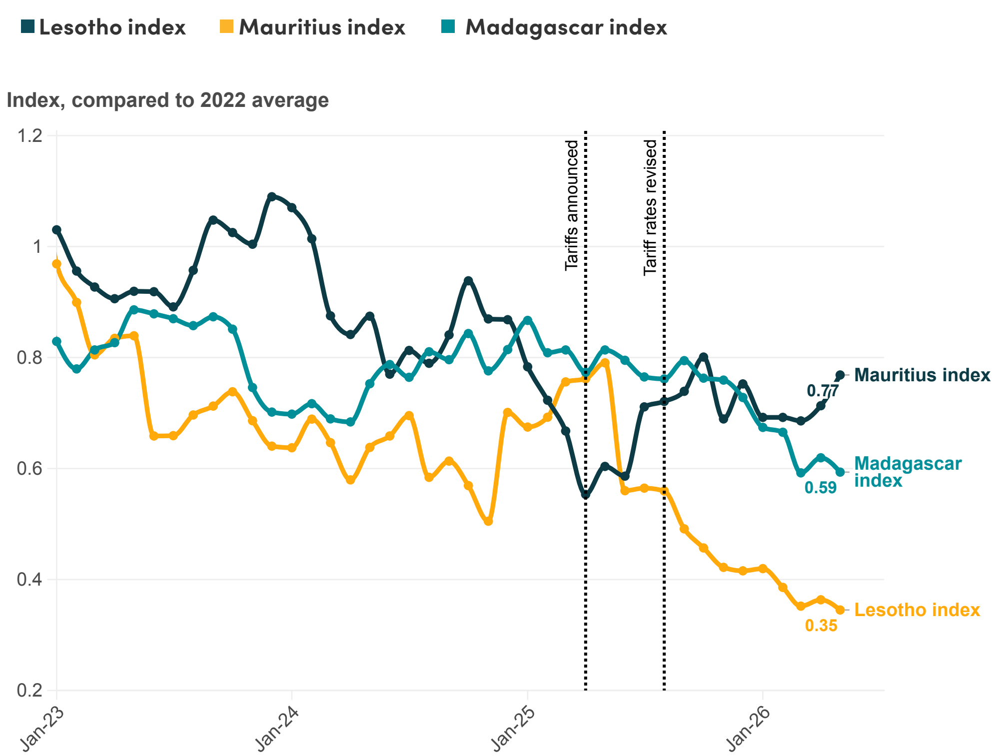
Apparel

In our 2025 analysis, we concluded that tariffs would be most damaging to countries that built an apparel industry based on AGOA's duty-free access to the United States: Lesotho, Mauritius, and Madagascar (see Figure 6). As we shared here, the threat of high tariffs was enough to precipitate a state of disaster in Lesotho, and the IMF estimated that US tariff action led to a decline in the country's growth rate from 2.2 percent in 2024 to 1.4 percent in 2025.

Since July 24, these three countries have resumed duty-free access to the US, while their major competitors (e.g., Bangladesh and Vietnam) are paying 10 to 12.5 percent under the new Section 301 regime. In theory, this offers a significant cost advantage, but relying on the resuscitation of the apparel industry would be a mistake, as many buyers have already found new suppliers.

Figure 6. Exports to the US have significantly declined among AGOA apparel exporters

*Exports to the US from Lesotho, Mauritius, and Madagascar, January 2023 to May 2026**



Source: US Census, Bloomberg L.P.
*Indices for Lesotho, Madagascar, and Mauritius are 6-month running averages which smooth month-to-month export variability. All the indices show values compared to the 2022 monthly average.

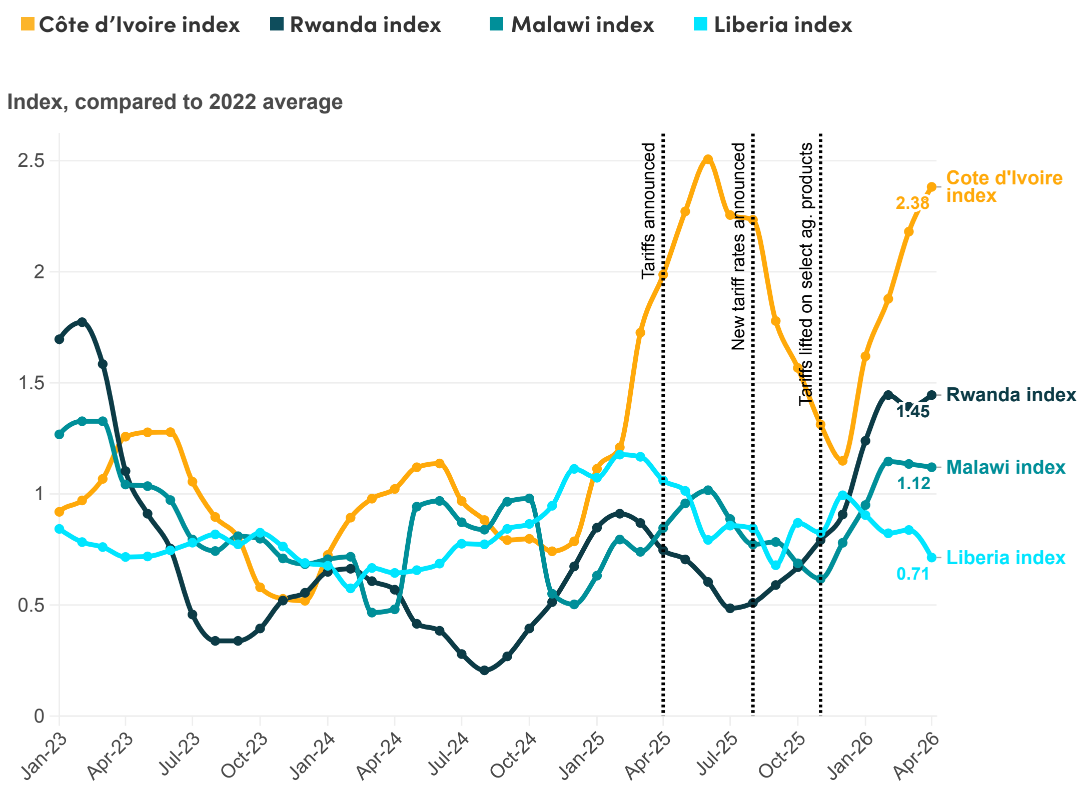
Food and agriculture

Major food and agriculture exporters like Côte d'Ivoire, Malawi, Rwanda, and Liberia were subject to across-the-board tariffs of 15, 15, 10, and 10 percent, respectively, but were granted a reprieve in November 2025, when the administration removed duties on more than 200 food products the US does not produce in sufficient quantity, including cocoa, coffee, and tropical fruits. Apart from Liberia, this action correlated with a significant uptick in their exports to the US (see Figure 7).

Fortunately for Liberia, which sends more than a third of its merchandise exports to the US, tariffs had little impact as its major product—natural rubber—was exempt from duties. Ironically, Liberia's exports may fall due to the Liberian president's (ill-advised) decision to ban all unprocessed rubber exports to stimulate its domestic industry. Moreover, finished products, like tires, would be subject to a 25 percent tariff designed to protect the US auto industry.

Figure 7. Exports rose among AGOA agricultural exporters to the US, following the removal of tariffs on select agricultural products in Nov. 2025

*Exports to the US from Côte d'Ivoire, Liberia, Malawi, and Rwanda, January 2023 to May 2026**



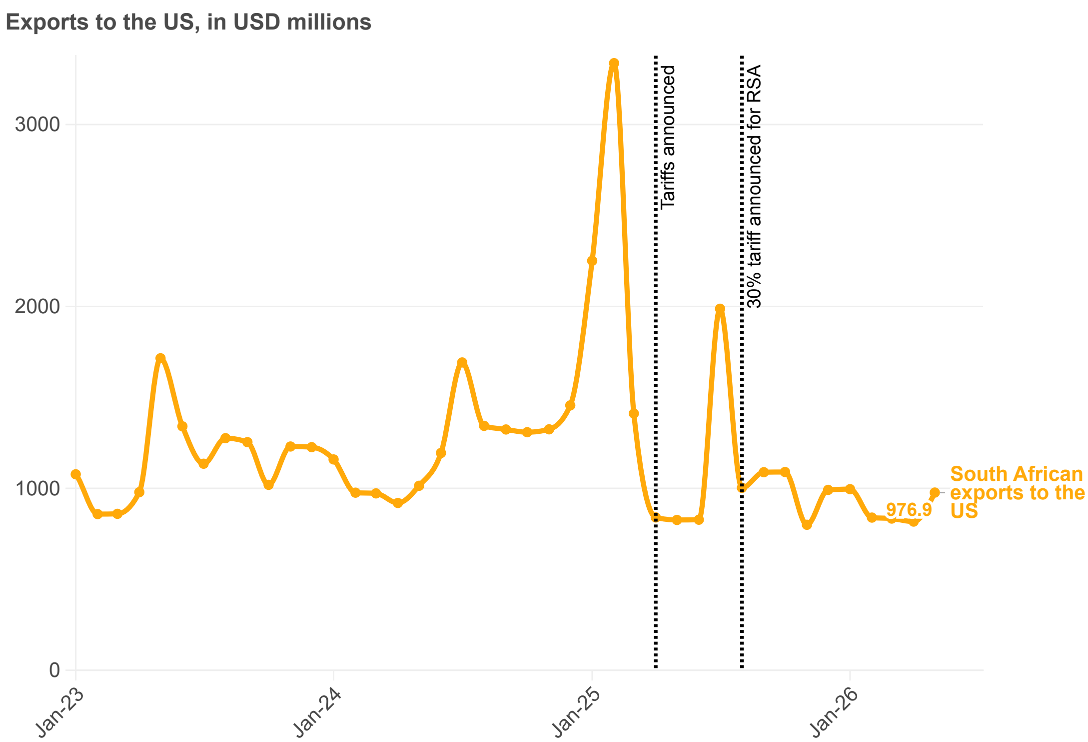
Source: US Census.
*Indices for Côte d'Ivoire, Liberia, Malawi, and Rwanda are 6-month running averages which smooth month-to-month export variability. All the indices show values compared to the 2022 monthly average.

South Africa

South Africa warrants special mention because the administration's 30 percent tariff regime was double or triple the level imposed on other AGOA countries—the result of a major political rift between President Trump and the current South African government. In a February 2025 executive order, President Trump announced a plan to suspend bilateral aid, claiming unfair treatment of the Afrikaner population and "aggressive positions towards the United States and its allies," including Israel. In addition to declining exports, collateral damage to South Africa has been significant, including temporary exclusion from the US-hosted G20 round and a phasing out of $400 million annually for HIV treatment (see Figure 8). But there has also been good news for South Africa: tariffs now stand at only 12.5 percent under a new regime that affects South Africa (as well as Angola and Nigeria), down from 30 percent under IEEPA.

Figure 8. Since the imposition of tariffs, South African exports to the US have fallen more than 15 percent on average, compared with the 2023/2024 average

South African exports to the US, January 2023 to May 2026, in USD millions



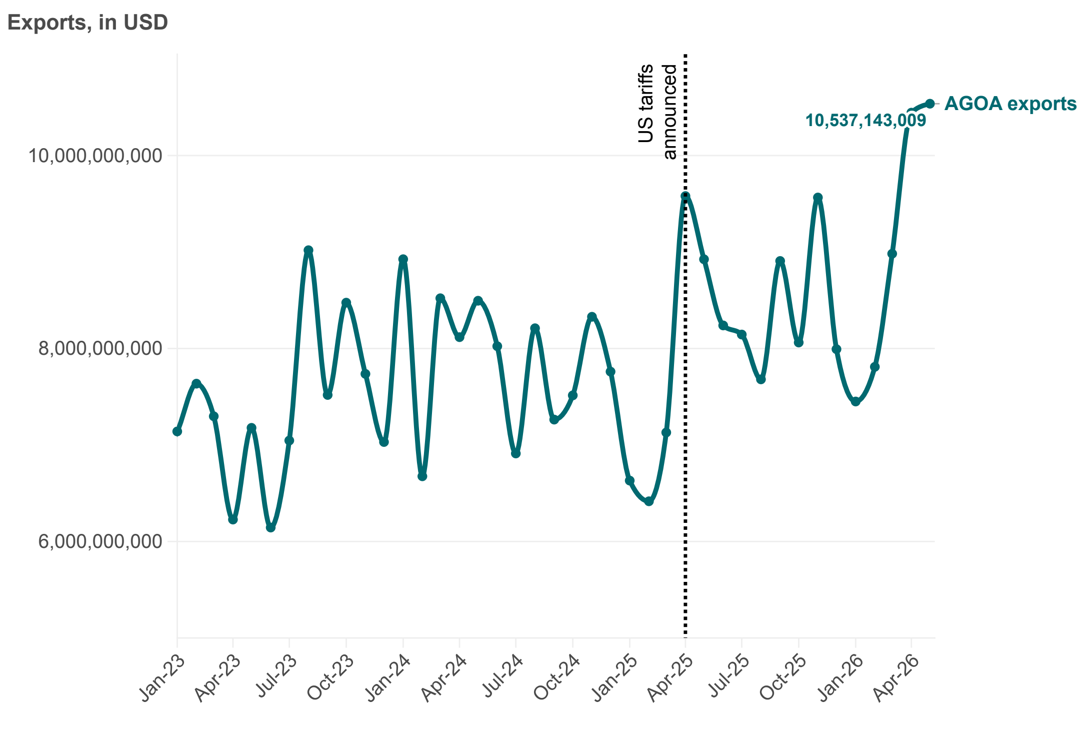
Source: US Census.

China as an alternative market?

China has been aggressively countering US protectionism, offering duty-free access to all African countries except Eswatini (due to its recognition of Taiwan) in 2025. Duty-free access mostly benefited lower-middle-income countries; low-income countries have benefited from this access since 2000. China has a large surplus with the region, though runs deficits with the countries that predominantly export oil and minerals (e.g., DRC, Angola, and Zambia). Despite a modest increase in exports, Africa's trade deficit with China has ballooned 48 percent year-on-year to $36.8 billion between January and April 2026, showing that benefits from duty-free access are more than offset by growing Chinese exports to Africa. A key driver of China's export growth is construction equipment and other materials associated with China's sizable infrastructure procurement wins. AGOA countries' exports to China are composed largely of raw extractives, making them especially vulnerable to external shocks associated with price volatility (e.g., diamonds, as noted above).

Figure 9. AGOA countries' exports to China have risen by nearly 15% since Trump's tariff announcement, versus the 2023/2024 average

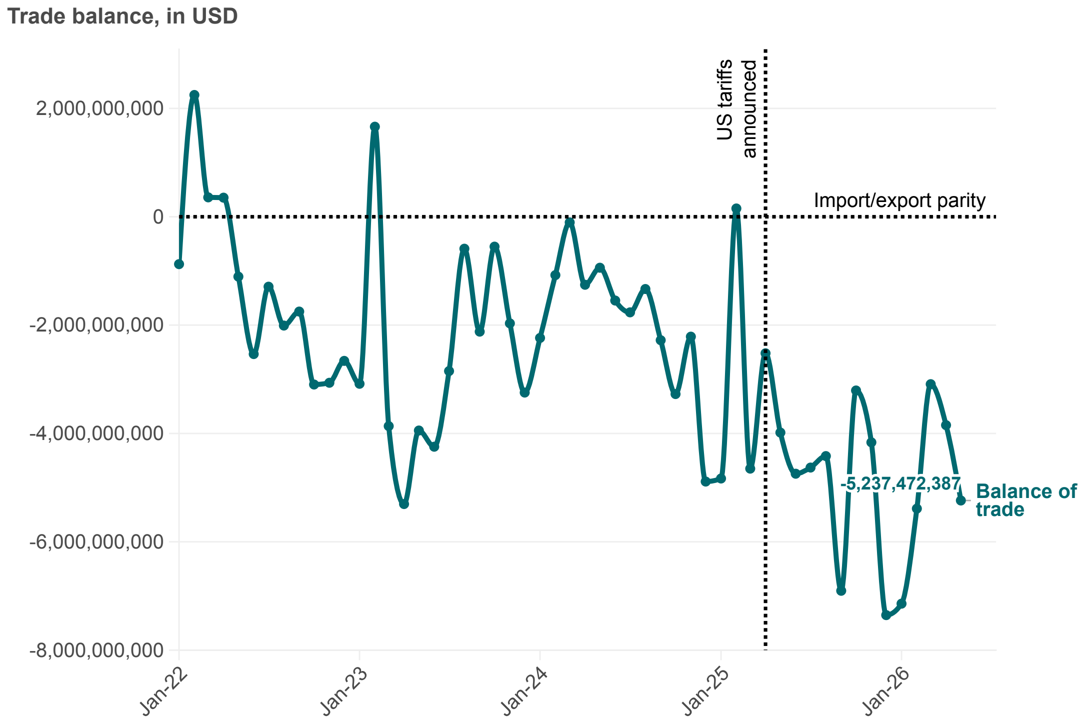
AGOA countries' combined exports to China, January 2023 to May 2026, in USD



Source: General Administration of Customs of the People's Republic of China.

Figure 10. AGOA countries' trade balance with China has become more negative since the American tariff announcement

AGOA countries' trade balance with China, January 2022 to May 2026

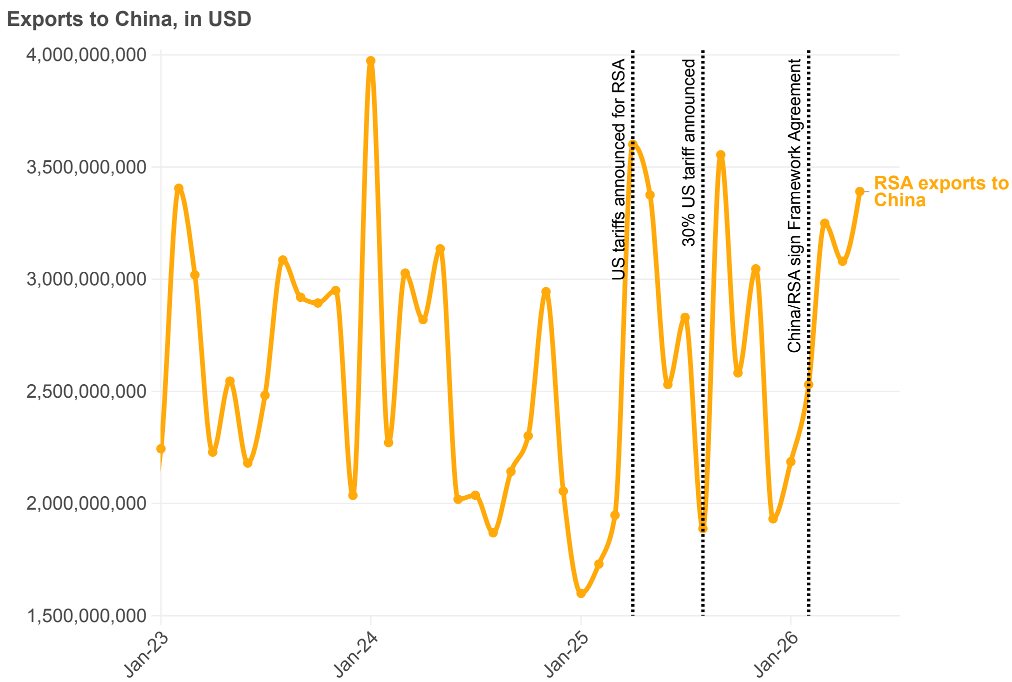


Source: General Administration of Customs of the People's Republic of China.

South Africa in particular is now doubling down on China, its largest trading partner: the two countries signed a Framework Agreement on Economic Partnership for Shared Prosperity in February 2026, a prelude to an "Early Harvest Agreement," which will formalize the zero-tariff scheme that China has enacted.

Figure 11. South African exports to China have increased by less than 10% on average, since the imposition of American tariffs

South African exports to China, January 2023 to May 2026



Source: General Administration of Customs of the People's Republic of China.

What's next

Treasury Secretary Scott Bessent reaffirmed that a key principle is to "insist on trade that is fair, reciprocal, and consistent with our national interest." USTR solicited comments on AGOA between April 20 and May 15, indicating plans to better align the program with US interests. USTR received 123 submissions from governments, companies, business associations, and civil society. We prompted the AI tool Claude to review and summarize the submissions, and it found that comments were largely split between business groups pressing for a prompt, long-term renewal and civil-society groups opposed to tying trade preferences to US commercial demands but also in favor of stronger labor, environmental, and human-rights criteria. Most agreed that AGOA should be re-authorized and modernized but were divided over whether modernization means more predictability for business or tougher conditions on beneficiaries. We also reviewed several submissions ourselves, focusing on US business, and (unsurprisingly) found strong support for AGOA's continuation from major US importers (e.g., Levi Strauss) and calls for USTR to focus on export barriers affecting US companies aiming to increase market share in Africa (e.g., US meat and horticultural federations). Given strong congressional support for AGOA, however, the legislation could pass absent any amendments offered by the administration.

Conclusion

Under this administration, reciprocity is a bedrock principle of trade policy. A simple extension of AGOA would be inconsistent with this principle, although it may yet happen thanks to very strong Senate support. If indeed there is a return to the status quo ante (e.g., with AGOA in full effect), the program should no longer drive policy choices of beneficiary countries. Relying on US policy continuity would be a mistake, as evidenced by USTR's efforts to exploit alternative tariff authorities to their fullest extent, aimed at punishing countries for actual or perceived unfair practices. Pivoting to China --despite duty-free access --will continue to generate underwhelming returns due to the continued predominance of unprocessed extractives.

As others have observed, AGOA countries need to focus on creating additional value for their exports, diversifying products, and pursuing new markets. An IMF Working Paper, for example, noted the potential transformative benefits of the African Continental Free Trade Area (AfCFTA), which was launched in 2019 and took effect two years later. The AfCFTA aims to boost intra-regional trade, which accounts for less than 20 percent of the total but has yet to show much benefit. Obstacles include the region's poor infrastructure, logistical challenges and a plethora of tariff and non-tariff barriers. Despite these challenges, it would be in the region's best interests to persevere. As one academic writing in World Finance put it: "value addition must become the new mantra."

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