



**EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503**

May 14, 2015  
(Senate)

**STATEMENT OF ADMINISTRATION POLICY**  
**Senate Amendments to H.R. 1295 - Trade Preferences Extension Act of 2015**  
(Sen. Hatch, R-UT)

The Administration strongly supports enactment of the Senate Amendments to H.R. 1295, the Trade Preferences Extension Act of 2015, which would extend the African Growth and Opportunity Act (AGOA), the Generalized System of Preferences (GSP), and the preferential duty treatment program for Haiti.

AGOA is the cornerstone of our economic relationship with sub-Saharan Africa, and a seamless, long-term renewal of the program improves the environment for investment, two-way trade, development, and economic growth in sub-Saharan Africa. The Administration welcomes a 10-year extension of the program, including of the third-country fabric provisions. This will give buyers the certainty they need to build local supply chains and consider Africa as a destination for investment and a source for their purchases. The Administration is also pleased that the bill includes changes that will improve implementation of the program, such as streamlined rules of origin and updates to the process to review country eligibility.

In addition to extending AGOA, the bill also renews the GSP program through December 31, 2017. GSP promotes economic growth in the developing world by eliminating duties on a wide range of products from developing countries. GSP also supports U.S. jobs by lowering the cost of imported inputs, which helps to keep U.S. manufacturers competitive, and reduces prices on many U.S. consumer goods. The legislation also designates certain cotton articles for potential duty-free treatment under the GSP program for least-developed countries, pursuant to undertakings by the United States in the World Trade Organization.

The bill also extends the Haitian Hemispheric Opportunity through Partnership Encouragement Act (HOPE II) for five years, from 2020 to 2025. Haiti remains the poorest country in the Americas, and one of the poorest in the world, with a significant need for basic services. The HOPE program has been instrumental in economic development in Haiti, especially in the textile and apparel sector. Early extension of this program will provide the stability and continuity needed to help ensure that companies will continue to invest in Haiti's future.

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