



## News: 08.29.2025

**By:**

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### **Continuous Uncertainty Regarding AGOA's Upcoming Expiration**

According to *AllAfrica*, U.S. officials and African leaders are intensifying discussions over the future of the African Growth and Opportunity Act (AGOA) as its 2025 expiration approaches. The article notes that while AGOA has supported African exports, particularly in textiles and agriculture, uncertainty about its renewal is prompting countries like Kenya, Nigeria, and South Africa to explore bilateral deals and diversify trade partners. Stakeholders stress that an extension or modernization of AGOA could help sustain jobs and investment, but debates continue over how to align the program with evolving global trade dynamics, including competition with China and the implementation of the African Continental Free Trade Area (AfCFTA). The talks underscore both the opportunities and challenges in redefining U.S.-Africa trade relations at a critical juncture.

### **Kenya Pushes Trade Deal with Trump as "China Ties" Cause Friction**

According to *The Africa Report*, Kenya is renewing its push for a trade deal with the United States under Donald Trump as tensions with China complicate its

foreign relations. President William Ruto has sought to accelerate negotiations for a bilateral trade pact, framing the U.S. as a reliable long-term partner amid concerns about debt and uneven economic ties with China. The initiative builds on earlier discussions that began under former President Uhuru Kenyatta, who first pursued a free trade agreement with Washington. Kenyan officials argue that closer trade integration with the U.S. could strengthen market access for agricultural products, textiles, and other exports while diversifying away from Chinese economic dominance. At the same time, U.S. officials view the potential deal as a way to counter China's growing influence in Africa and secure more stable investment opportunities. The talks are unfolding against the backdrop of the African Growth and Opportunity Act (AGOA), which expires in 2025, raising pressure on Kenya to secure a framework for continued preferential access to U.S. markets.

### **"With AGOA at Risk, Kenya is Being Proactive with Trump", says Trade Minister**

According to *The Africa Report*, Kenya's Trade Minister Rebecca Miano emphasized that the country is taking a proactive approach in pursuing a trade deal with the United States under Donald Trump, especially with uncertainty surrounding the future of the African Growth and Opportunity Act (AGOA). She explained that Kenya cannot afford to wait until AGOA expires in 2025 and is instead seeking a bilateral arrangement to secure long-term access to the U.S. market. Miano noted that while AGOA has been important for Kenya's exports—particularly in textiles—the program's temporary nature makes it unreliable for planning sustained economic growth. By moving forward with direct negotiations, Kenya aims to reassure investors and safeguard its trade interests, while also demonstrating that it is willing to adapt to shifting global economic and political dynamics.

### **Trump Mulls Additional Tariffs on Kenya, Other Countries Imposing Digital Tax**

According to *MSN*, Donald Trump is considering imposing additional tariffs on Kenya and other countries that have adopted digital service taxes targeting American technology companies. The proposed measures are framed as a response to what the U.S. views as unfair taxation practices that

disproportionately affect U.S. firms such as Google, Amazon, and Facebook. Kenya's digital tax, introduced to capture revenue from multinational tech companies operating in its market, has been a particular point of contention. While Kenyan officials argue the levy ensures a fair contribution from digital giants, U.S. trade representatives under Trump have warned that such policies could trigger retaliatory tariffs. The debate comes as Kenya seeks to advance trade talks with Washington, leaving officials to balance domestic tax priorities with the risk of straining relations with the U.S.

### **Trump Threatens 200% Tariff Hike for China if no “Rare-Earth Magnets Supplied”**

According to *AfricaNews*, Donald Trump has threatened to impose a 200% tariff increase on Chinese imports if Beijing does not continue supplying rare earth magnets critical to U.S. industries. Rare earth elements are essential for technologies such as electric vehicles, wind turbines, and defense equipment, and the U.S. remains heavily dependent on China for these materials. Trump framed the move as a measure to protect American economic and security interests, warning that the U.S. will no longer tolerate what he described as unfair reliance on Chinese supply chains. The threat comes amid broader tensions between Washington and Beijing, and it highlights how strategic minerals have become a central issue in global trade and geopolitical competition.

### **Africa Boosts Solar Power with 60% Surge in Chinese Panel Imports**

According to *AfricaNews*, Africa's imports of Chinese solar panels have surged by 60% as the continent accelerates its shift toward renewable energy. The increase reflects both rising demand for affordable clean energy solutions and China's dominant role in the global solar panel supply chain. Many African governments are seeking to expand access to electricity while reducing dependence on fossil fuels, making solar a key component of national energy strategies. However, the growing reliance on Chinese technology has also raised concerns about trade imbalances and long-term dependency. Policymakers are now grappling with how to balance the immediate benefits of low-cost imports with the need to foster local manufacturing and build resilient renewable energy industries within Africa.

## **Kenya Seeks China's Approval to Convert Dollar Loan to Yuan**

According to *AfricaNews*, Kenya has approached China to request approval to convert a dollar-denominated loan into yuan as part of efforts to ease pressure on its foreign reserves. The move comes amid a strengthening U.S. dollar and rising debt-servicing costs, which have strained Kenya's economy. By shifting repayment obligations into yuan, Kenyan officials hope to reduce currency risk and stabilize external debt management. The proposal also aligns with Kenya's broader strategy to diversify its financial partnerships and deepen economic ties with China, its largest bilateral lender. Analysts note, however, that while such a conversion could provide short-term relief, it may also increase Kenya's dependency on the Chinese currency and further entrench Beijing's influence over the country's financial system.

## **African Airlines Record 9.4% Growth in Air Cargo Demand in July 2025-IATA**

According to *Nairametrics*, African airlines recorded a 9.4% growth in air cargo demand in July 2025, according to data released by the International Air Transport Association (IATA). This increase outpaced the global average and was driven by stronger trade flows, expanding e-commerce activity, and rising demand for time-sensitive goods. The growth reflects Africa's increasing integration into global supply chains, particularly in sectors such as pharmaceuticals, perishables, and electronics. IATA noted that while infrastructure challenges and high operating costs remain obstacles, the steady rise in cargo volumes highlights the resilience of Africa's aviation sector and its potential as a key player in international trade logistics.

## **African Trade Unions, Youth Groups and ODAs for Ghana Demonstrate for Debt Cancellation and Trade Justice**

According to *GhanaWeb*, African trade unions, youth groups, and overseas development associations (ODAs) in Ghana held demonstrations calling for debt cancellation and greater trade justice. The groups argued that mounting debt burdens are undermining economic development and worsening poverty across African nations. They stressed that fairer trade terms, along with relief from unsustainable debt obligations, are essential for building stronger and more equitable economies. The demonstrators urged international lenders and

institutions to adopt policies that prioritize social welfare and long-term growth over austerity measures, framing debt cancellation as both a moral and economic necessity for Africa's future.

### **Kobold Metals Wins Lithium Exploration Rights in Dr Congo**

According to *AfricaNews*, KoBold Metals has secured rights to explore for lithium in the Democratic Republic of Congo (DRC), marking a significant step in the global race for critical minerals. The U.S.-backed company, which uses artificial intelligence to identify resource-rich sites, will focus on lithium deposits essential for electric vehicle batteries and renewable energy technologies. The DRC, already a leading source of cobalt, is seeking to expand its role in supplying key minerals for the energy transition. Officials highlighted that the agreement could attract further investment and enhance the country's position in global supply chains, though concerns remain about governance, environmental impact, and ensuring local communities benefit from the resource development.

### **Events - 08/29/2025**

**WTO Public Forum | 20 Years of IISD's Global Subsidies Initiative.** IISD. *WTO Centre Geneva, Switzerland*. September 18, 2025.

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