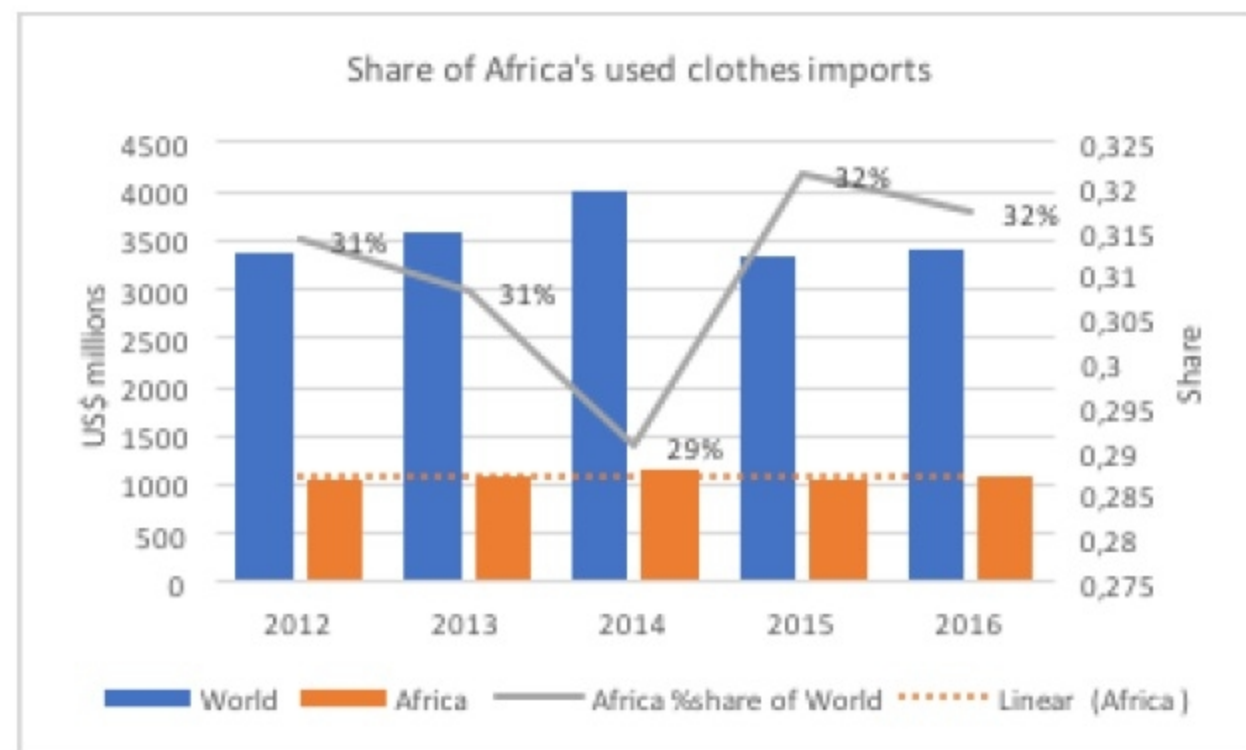


Africa's used clothing imports

Trade in used-clothing has become big business in some African countries, contributing to employment for many people who earn their livelihood from the business



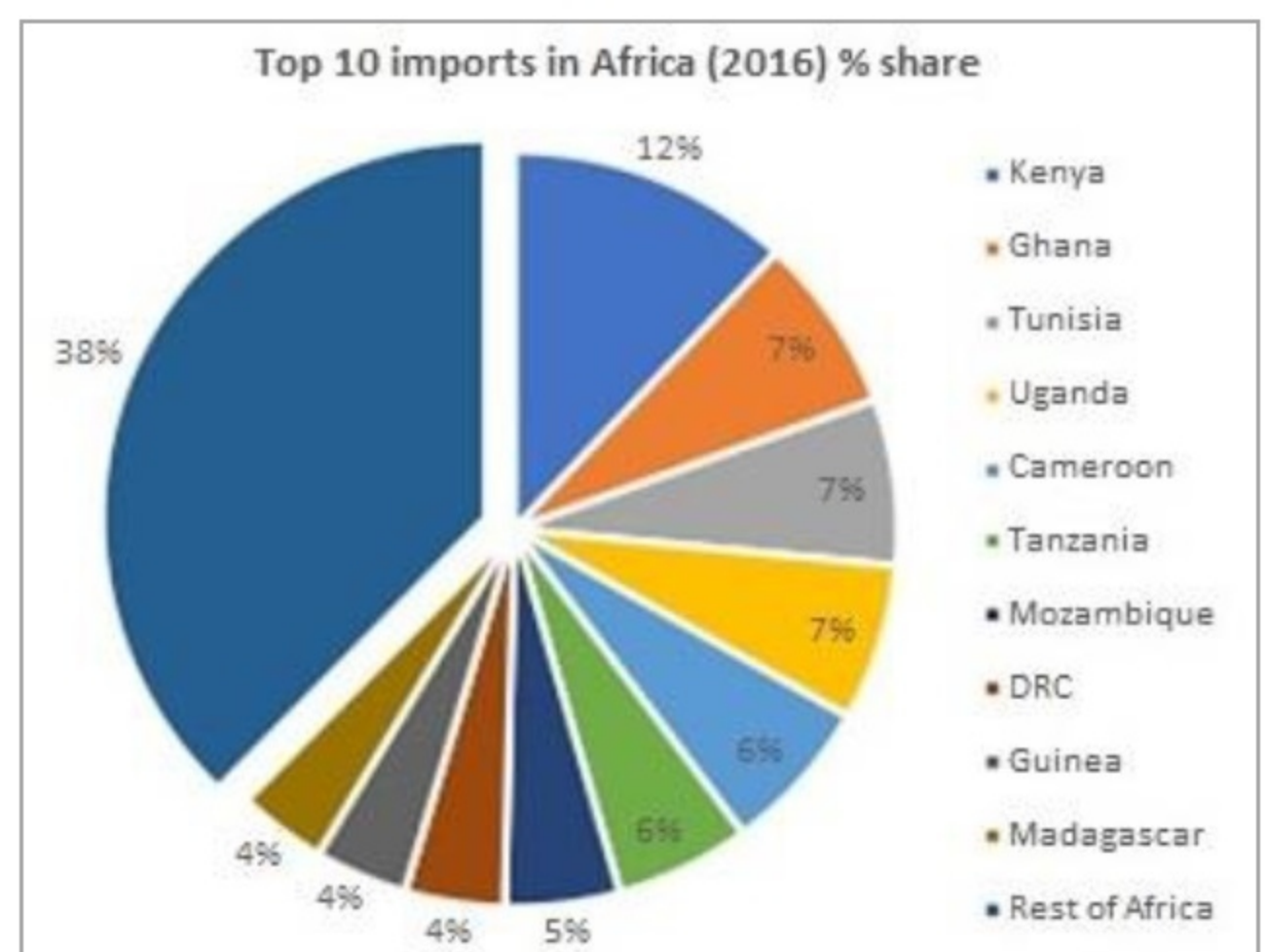
Global trade exceeded US\$3.7 billion in 2016; a decline of 2% compound annual growth rate (CAGR) over a five-year period (2012-2016);

Africa has consistently imported US\$1 billion in used clothes over the last 5 years (32% of total world imports in 2016)

Demand for used clothing is driven mainly by the high levels of poverty prevalent in Africa

Top World importers (2016) – Pakistan (7%); Ukraine (5%); Malaysia (4%) and Kenya (4%);

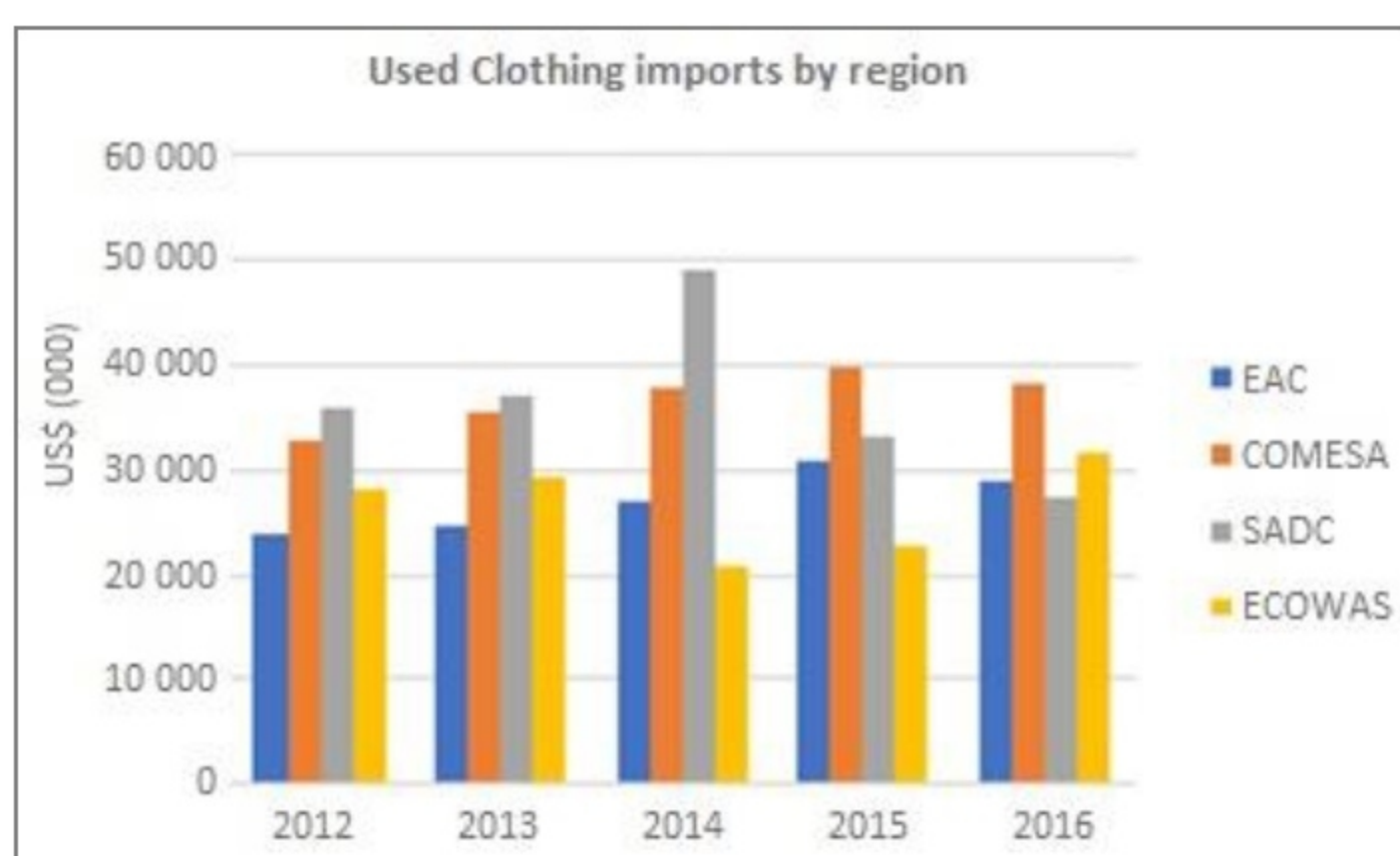
Top World Suppliers (2016) – mostly EU, however individually, the US (15%); UK (13%); Germany (10%)



62% of total African imports is accounted for by only 10 countries, amounting to over US\$600 million in 2016

East African countries feature prominently with Kenya; Uganda and Tanzania accounting for 25% share of total Africa imports of used clothes.

Price sensitive poor consumers appreciate the availability of used clothing at cheap prices



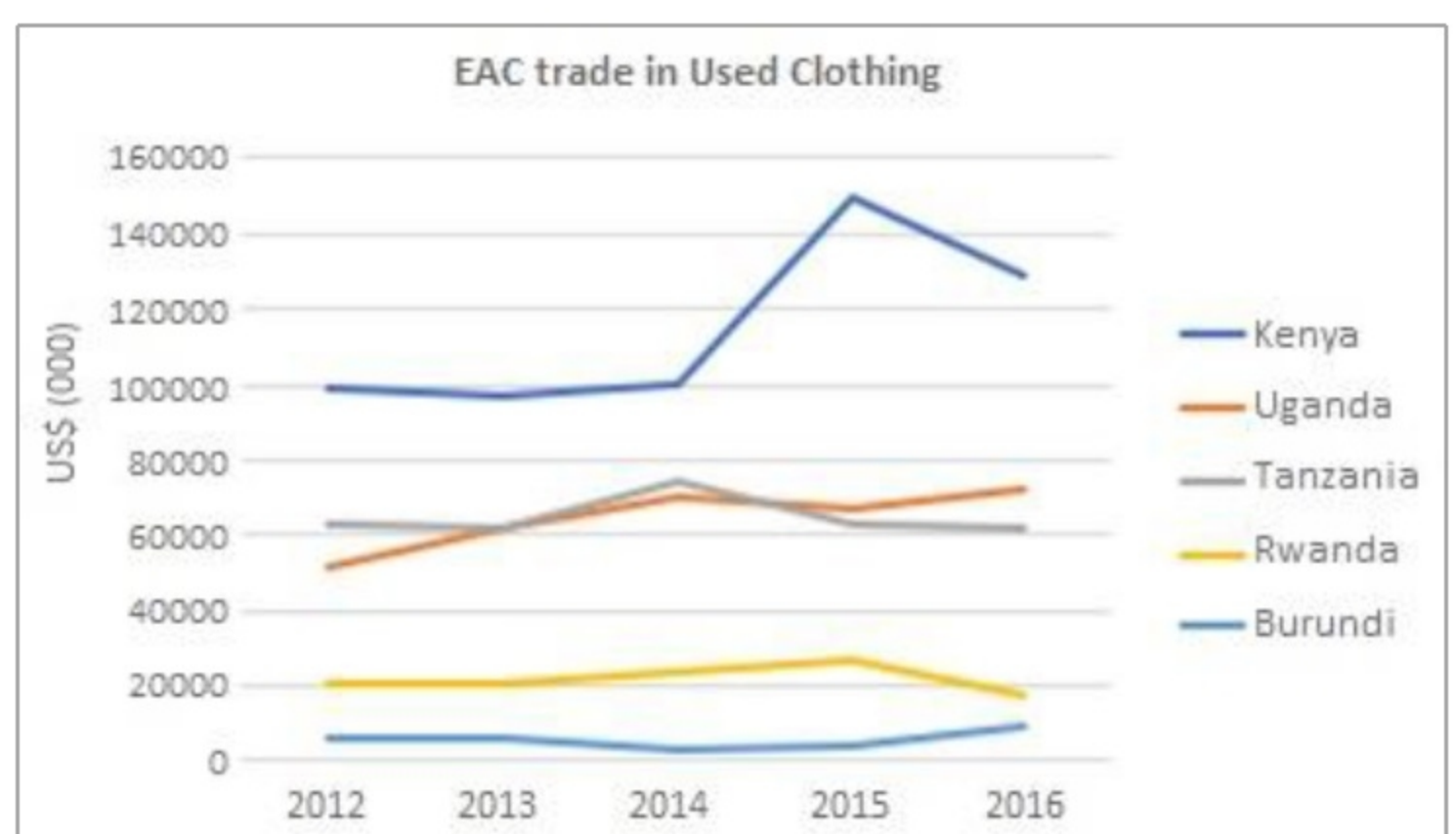
Over review period, SADC was once the top import destination, however, post 2014; this has declined due to increases in import restrictions, by countries such as Angola and Zimbabwe

SADC imports decline by 7% (CAGR) over 2012-2016

Other regions experience growth (CAGR) with EAC (5%); COMESA (4%) and ECOWAS (3%)

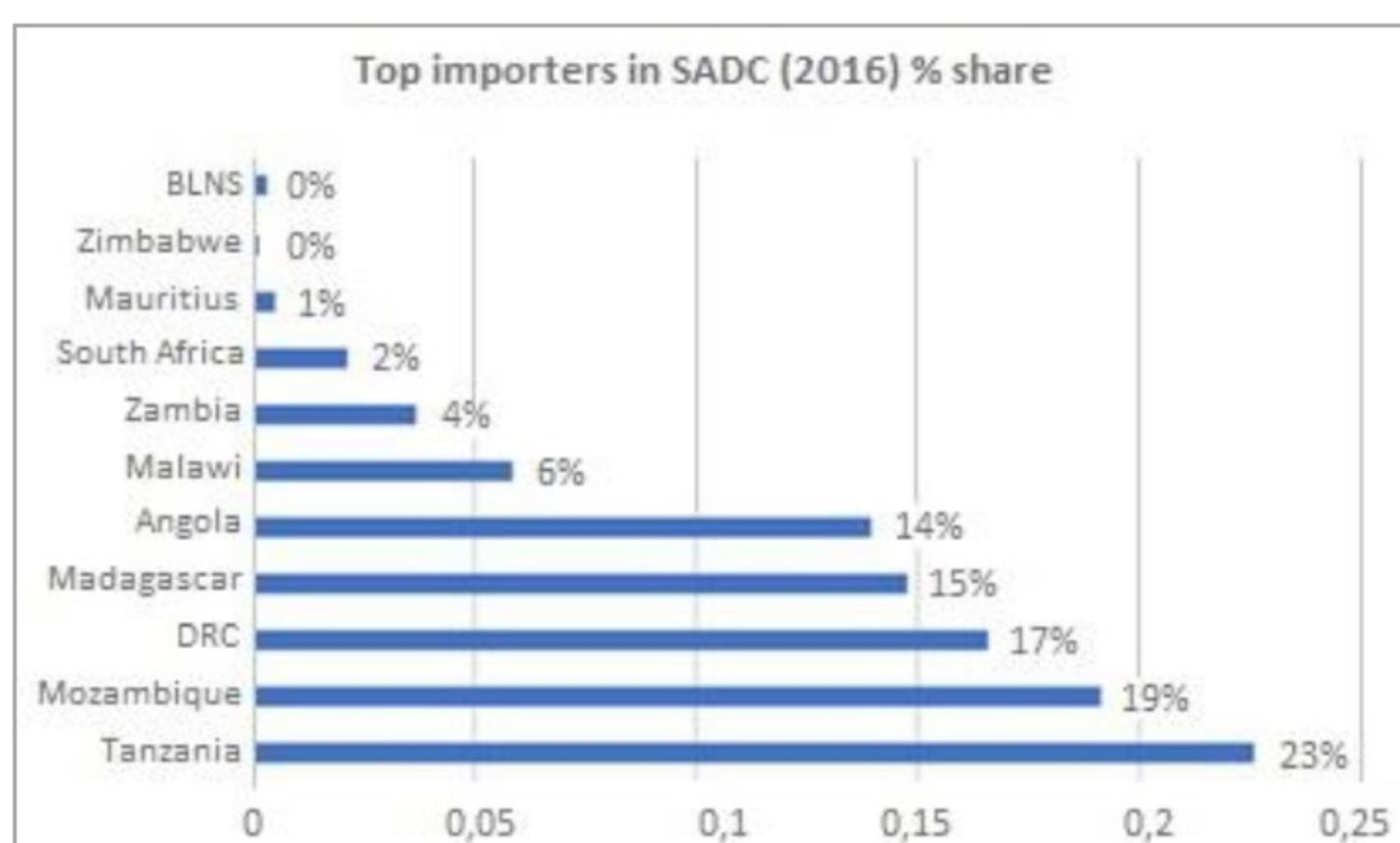
The textile and clothing industry stakeholders argue that imports of used clothing are threatening their businesses, and job losses will result

- 44% of total imports by EAC were destined for Kenya; this amounts to just under US\$130 million in 2016
- Kenya experienced spectacular growth in imports of 7% (CAGR) over 2012-2016
- Uganda is the 2nd top importer – accounting for 25% share (US\$72 million) in 2016; and growth of 9% (CAGR) in 2016
- Tanzania – imports declined slightly by 1% over 2012-2016



In 2016, EAC countries except Kenya took a decision to phase out and ban imports of used clothes by 2019. Decision has not been welcomed by the US and may threaten access of EAC exports to the US for countries who are currently undergoing out of cycle review under AGOA

Total value of imports by SADC in 2016 was over US\$272 million; Top 5 countries account for 88% share of imports



Restricting or banning used clothing is not unique to the EAC only;

In SADC Zimbabwe introduced a ban (SI64 of 2016); while in South Africa imports are, dutiable and are conditional subject to an import permit

Main motivation for such measures is to boost local manufacturing; health concerns are also noted

Trade in used clothes provides a challenge for countries that aim to promote and reinvigorate their waning textiles and clothing industries, given that even a complete ban on used clothing will not guarantee success of the domestic markets which must contend to additional competition from cheap imports mainly from East Asia.

It is therefore prudent for governments and business to develop a strong policy strategy for the sector and support both at the national and regional level which will signal confidence to potential investors who otherwise regard the textile and clothing sector as a sunset industry unable to compete with East Asian countries.