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Fashion Textiles, Trade & Customs



How to Use The Handbook:

This handbook is short and practical. Each section gives you essential knowledge, examples relevant to African contexts, and key takeaways. You don't need a legal background, just curiosity and a desire to protect and grow within fashion.

This handbook is part of a 10-part series by the Fashion Law Academy Africa (FLAA) to make fashion law accessible to African creatives and stakeholders.

Purpose:

To explain how fabrics and fashion goods move across borders, the trade policies shaping African fashion markets, and the customs laws designers must understand to trade legally and profitably.

Table of Contents

Introduction	01
African Textile Production vs Import Dependence	01
Trade Zones, Free Trade Agreements & Barriers	02
Fabric Import/Export Laws and Customs Duties	05
Labelling, Origin Rules & Local Content Requirements	06
The Impact of Foreign Textile Dumping	07
Practical Guidance for Designers & Brands	08
Conclusion	09
Glossary of Key Legal Terms	10

Fashion Textiles, Trade & Customs

Introduction

Africa's fashion economy full of potential and its growth is tied closely to fashion trade. Every roll of fabric, every finished garment, and every export shipment passes through a web of trade policies, customs regulations, and border controls.

Fashion entrepreneurs often think of design and production first, but understanding how goods move is just as important. Trade determines whether fabrics arrive on time, whether prices stay competitive, and whether local industries thrive or collapse under import pressure.

Africa's textile landscape is vibrant but uneven. While some countries like Ethiopia, Egypt, and South

Africa have revived local textile manufacturing, many others still depend heavily on imported fabrics, especially from China, India, and Turkey. This dependence affects jobs, pricing, and the overall competitiveness of African brands.

Key Takeaway:

Trade and customs laws aren't just bureaucratic hurdles, they are also the invisible architecture of fashion's global flow.

African Textile Production vs Import Dependence

The Current Landscape

Africa once had a thriving textile industry. Countries like Nigeria, Ghana, Zimbabwe, and Tanzania operated large spinning and

weaving mills that supported local cotton farmers. However, by the late 1990s and early 2000s, these industries declined due to:

- Influx of cheap imported textiles, particularly from Asia.
- Outdated technology and lack of power supply.
- Trade liberalisation without protection for local industries.

Today, imported fabrics dominate African markets, from wax prints and lace to denim and jersey. For example, over 80% of fabrics sold in West Africa are imported.

The Consequences

High import dependence means:

- Higher costs for designers due to duties and shipping.
- Job losses in local textile manufacturing.
- Price competition that local producers cannot match.
- Reduced local value addition, limiting economic growth.

Reviving Local Production

Governments and investors are now reawakening the textile sector.

Examples include:

- Ethiopia's Hawassa Industrial Park – a textile hub attracting global fashion brands.
- Nigeria's Cotton, Textile, and Garment Policy (CTG Policy) – designed to support local value chains.
- Egypt's modernised spinning plants – improving production efficiency.

Key Takeaway:

Reviving textile production strengthens local economies, creates jobs, and reduces reliance on imports.

Trade Zones, Free Trade Agreements & Barriers

1. AfCFTA: The African Continental Free Trade Area

AfCFTA aims to create the world's largest free trade zone, connecting 1.3 billion people across 54 countries. For fashion, it means:

- Reduced tariffs on clothing and fabrics traded within Africa.
- Easier access to regional

- suppliers.
- Encouragement of intra-African value chains (e.g., cotton grown in Benin, woven in Ghana, and sewn in Nigeria).

Example: A Ghanaian designer could source cotton from Burkina Faso without facing high import duties, making production cheaper and faster.

2. AGOA: African Growth and Opportunity Act

For decades, AGOA granted eligible African countries duty-free access to the U.S. market for apparel and other products, enabling exporters from countries like Kenya and Lesotho to compete globally.

However, on September 30, 2025, AGOA expired, and Congress failed to renew it. As of now, goods from Africa eligible under AGOA must revert to U.S. Most-Favoured-Nation (MFN) tariffs, generally higher and less favourable.

While the U.S. administration

supports a one-year extension and some proposals have floated longer renewals through 2041, the absence of legal certainty threatens export sectors. Fashion entrepreneurs and exporters must adapt quickly, re-evaluate pricing, and explore new markets or trade strategies.

Implications for Fashion & Textiles

- Tariff Increases: Garments and textile products exported to the U.S. from Africa will likely face significantly higher tariffs than under AGOA. That erodes margin, competitiveness, and may force exporters to look elsewhere or absorb costs.
- Supply Chain Disruption: Exporters who integrated African upstream inputs (cotton, fabric, trimming) with AGOA-based U.S. final garments may have to rethink sourcing or even relocate parts of production.
- Competitive Shift: U.S. buyers may shift sourcing toward Asia or Latin America, where tariffs remain more predictable.

- African exporters lose their preferential edge.
- Uncertainty Retards Investment:
The absence of long-term certainty discourages foreign investors, apparel brands, and exporters from expanding or committing capital. Many had long complained AGOA's short-term renewals hampered planning.
- Political & Strategic Influence:
The loss of AGOA gives space for other external powers (notably China) to deepen trade, infrastructure, and strategic ties with African countries.
- Pressure on AfCFTA & Regional Markets: With U.S. access diminished, African countries may lean harder into intra-African trade under AfCFTA as an alternative route for growth.

3. Regional Trade Blocs

Africa has several overlapping trade blocs that affect textile movement:

- ECOWAS (West Africa)

- SADC (Southern Africa)
- EAC (East Africa)

These blocs promote trade facilitation but face real-world barriers such as poor infrastructure, slow customs processes, inconsistent regulations.

Barriers to Trade

Despite trade agreements, practical barriers persist:

- Tariffs and non-tariff barriers (e.g., quality standards)
- Poor logistics and high transport costs
- Bureaucratic customs clearance
- Political instability in some regions
- Currency instability and exchange rate volatility
- Limited access to trade finance and credit facilities
- Informal border practices and “unofficial fees”
- Intellectual property theft and counterfeit imports
- Gender and social barriers to trade participation
- Visa and mobility restrictions for

- traders and creatives
- Fragmented standards and certification requirements

Key Takeaway:

Trade agreements create opportunities, but success depends on local enforcement, infrastructure, and compliance.

Fabric Import/Export Laws and Customs Duties

Essential Documentation

Every importer or exporter should be familiar with these core documents:

- Commercial Invoice – details price, quantity, and buyer/seller info.
- Packing List – describes shipment contents.
- Certificate of Origin – confirms the product's origin.
- Import/Export Permit – authorization from relevant trade authorities.
- Bill of Lading/Air Waybill – proof of shipment.

Understanding Customs Duties

Customs duty is a tax on goods entering or leaving a country. It's usually calculated as a percentage of the product's customs value (cost + freight + insurance).

Designers importing fabrics should also budget for:

- Value Added Tax (VAT)
- Excise Duties (in some countries)
- Port handling fees

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Restricted and Prohibited Goods

Some textile-related imports are restricted or banned:

- Used undergarments – prohibited for health reasons.
- Certain synthetic materials – restricted to prevent environmental harm.
- Counterfeit or mislabelled fabrics – strictly prohibited.

Common Customs Challenges

- Undervaluation disputes (declaring lower prices).
- Delays in clearance due to incomplete documentation.
- Smuggling or diversion of goods.
- Counterfeit imports damaging local industries.

Key Takeaway:

Proper documentation and honest valuation save time, money, and reputation in international trade.

Labelling, Origin Rules & Local Content Requirements

Labelling Compliance

Most African countries require clear, accurate garment labels indicating:

- Country of origin (“Made in

- Nigeria”)
- Fibre composition (e.g., 100% cotton)
- Care instructions
- Size and manufacturer details

Non-compliance can result in fines or seizure of goods.

Rules of Origin

Rules of origin determine whether a product qualifies as “local.” Under AfCFTA, a garment can be labelled “Made in Africa” if:

- It’s wholly produced (fabric and sewing done in Africa), or
- It undergoes substantial transformation within Africa.

Local Content Policies

Many governments encourage the use of locally produced fabrics and labour.

False Labelling Risks

Falsely declaring a product’s origin or composition can lead to customs penalties, reputational damage, and even criminal liability.

Key Takeaway:

Labelling is not just marketing, it's a legal statement of truth.

The Impact of Foreign Textile Dumping

What Is Dumping?

Dumping occurs when foreign manufacturers sell goods in another country at prices lower than in their home markets. It's often due to overproduction or government subsidies.

Effects on Africa

- Market distortion – local producers cannot compete with ultra-cheap imports.
- Factory closures – domestic mills and garment makers lose sales.
- Job losses – especially among women and youth in manufacturing.
- Reduced innovation – since cheap imports dominate.

Common Dumping Sources

Many dumped textiles come from Asia and Europe, often including

unsold stock or second-hand clothing.

Policy Responses

African countries are fighting back with:

- Anti-dumping duties on underpriced imports.
- Import restrictions on used clothing (e.g., Rwanda, Kenya).
- Tariffs and local production incentives.

Example: South Africa has used anti-dumping duties on products like steel, footwear, and textiles from China and India.

Key Takeaway:

Protecting local industries from unfair dumping builds stronger, self-reliant economies.

Practical Tips for Designers & Brands

- Plan for Customs Costs: Always include duties, taxes, and logistics fees in your pricing model.
- Work with Licensed Customs Brokers: They help ensure compliance and faster clearance.
- Verify Suppliers: Request certificates of origin and quality assurance to avoid counterfeit fabrics.
- Understand Your Tariff Codes: Know your product's classification (HS Code) to determine correct duty rates.
- Leverage Trade Agreements: Use AfCFTA and AGOA benefits to reduce costs and expand markets.
- Keep Records: Maintain invoices, permits, and shipment proofs for audits and future exports.
- Collaborate Regionally: Partner with designers and producers across Africa for shared supply chains.

Key Takeaway:

Smart trade practices and compliance are competitive advantages — not burdens.

Conclusion

The future of African fashion lies not only in creative brilliance but also in trade intelligence. Understanding textiles, customs, and trade policies equips designers to operate sustainably, export confidently, and strengthen the continent's fashion ecosystem.

A well-informed designer knows the rules, uses them strategically, and contributes to Africa's vision of building a vibrant, self-sufficient fashion economy.

Glossary

Term	Meaning
AfCFTA	African Continental Free Trade Agreement – aims to boost intra-African trade
AGOA	African Growth and Opportunity Act – allows eligible African countries to export to the U.S. duty-free.
Tariff	Tax imposed on imported or exported goods.
Certificate of Origin	Proof of where a product was made.
Customs Duty	Tax levied by a government on imports or exports.
Trade Barrier	Any law, policy, or restriction that limits trade.
Local Content	Requirement to use local materials, labour, or components.
Dumping	Selling goods abroad at prices below their home market value.
Labelling Compliance	Meeting legal standards for garment tags and information.
Trade Bloc	Group of countries that agree to promote free trade among members.

