



Africa Growth and Opportunity Act (AGOA) CIVIL SOCIETY NETWORK



NEWSLETTER

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April 2004

Building Relationships to Expand the Reach of AGOA in Africa and the US

INSIDE THIS ISSUE:

- **Bipartisan coalition introduces new AGOA III bill** in the US House of Representatives
- **Senate Foreign Relations Committee Hearing on AGOA** illustrates the Administrations support for AGOA III

Network Member Notes:

- **The Website is up!** We are continually putting up information for members and friends to view as well as information about member events and other relevant information. Feel free to contribute! If you are a member interested in mirroring the **AGOA Civil Society Network website in Africa** for African Civil society groups on the ground, email: agoacsonet@democracy-africa.org
- **Do you have an AGOA success story?** The AGOA Civil Society Network Secretariat is working with the **AGOA III Action Committee** to ensure that the successful application of AGOA is recognized on Capitol Hill. Send a description of the successful story of you or someone that you know (especially those of small businesses that have grown with help from provisions found in the bill) along with your contact information, and we will work to ensure that key policy makers hear your story. Email - agoacsonet@democracy-africa.org
- **We have a new motto!** While the work of the Network is reflected in our old motto to "Increase AGOA's Efficiency", it only reflects one part of what we do. Under advice from our membership and friends, we have decided to change the motto to reflect the ultimate goal of our work which is: "Building Relationships to Expand the Reach of AGOA in Africa and the US"

"By broadening AGOA, we are encouraging even more countries to participate and allowing many more African industries to benefit"

Bipartisan Coalition Steers Third Round of AGOA Revisions Forward in the US House of Representatives

Partnership with Africa more important than election year partisan politics

US House Representatives Bill Thomas, Ed Royce, Phillip Crane, Jim McDermott, Charles Rangel, William Jefferson and Sander Levin along with His Excellency Amadou Lamine Ba, Head of the African Ambassadors Corps, spoke at a press conference on the release of the AGOA Acceleration Act (HR 4103)—a new version of the third round of AGOA revisions formed by Chairman of the House Ways and Means Committee, Bill Thomas.

As Chairman Thomas noted, "The immediate need for this bill is the expiration of benefits for the lesser developed countries. We are not merely extending these AGOA benefits; we are accelerating Africa to take advantage of the original AGOA. Specifically, we are trying to expand African capacity and infrastructure to make it attractive for investment in regional fabric production. HR 4103 provides the means for African countries to develop a more prosperous economic environment that can fos-

ter viable economic capacity, a well-grounded rule of law in the continent, and efficient government practices."

This new legislation concentrates on four priorities, by (1) Providing an overall extension of AGOA until 2015 (2) Adding technical assistance provisions that will make it easier for African countries to develop the framework to participate in the benefits (3) Fixing problems encountered with Customs; and (4) Extending third country fabric provisions for 3 years for the lesser-developed African countries, including a phase-out.

Royce also lauded the bipartisan effort made to accelerate AGOA as well as Africa's ability to take advantage of the legislation's benefits, "It is clear that Africa is on America's trade agenda. By building on the first African trade bill in 2000, this bill will help our many interests on the continent, including our growing strategic interests...Today's bill introduction represents a truly bipartisan effort. This is fitting

because the challenges in Africa are great, as are the United States' interests on the continent, and we should be unified in pursuing the AGOA agenda. By broadening AGOA, we are encouraging even more countries to participate and allowing many more African industries to benefit."

On behalf of the African Diplomatic Corps, Ambassador Ba of Senegal also commended the bipartisan work on AGOA in the US Congress and expressed full support for timely passing of the bill. While there will undoubtedly be some revisions made to the bill, Thomas assured that he would work with leaders in the House and Senate to get the bill signed into law before the end of spring.

For more information on H.R. 4103 including the Ways and Means press release as well as summarized and full versions of the bill, visit or click: <http://waysandmeans.house.gov/Links.asp?section=45>

Liser, Newman and Larson Testify Their Support for AGOA III's Successful Passage in US Congress at US Senate Foreign Relations Committee Hearing

In late March, Senate Foreign Relations Chairman Senator Richard Lugar held a hearing on S.1900 or the United States-Africa Partnership Act—a version of the bill Lugar introduced in November of last year. Testifying before the Committee were Administration officials Alan Larson—Under Secretary of State for Economic, Business and Agricultural Affairs; Florizelle Liser—Assistant United States Trade

Representative for Africa; and Constance Newman—Assistant Administrator for the Africa Bureau at USAID.

Some common threads throughout the three Administration officials' remarks were that (1) AGOA is not only for the benefit of Africa, but also in US interests, (2) in terms of competition, while there is no negative impact on the US under the legislation, the impact on Africa is positively significant and (3) the

timely passage of the third version of AGOA is very important to the legislation's sustainability and positive impact on Africa.

As Ms. Liser commented, "It is important to educate people about what's happening under AGOA... Market access alone will not help Africa, but critical [to the success of the bill] is trade, capacity building and linking US and African businesses and small businesses. Healthy customers

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Administration officials testify support of AGOA at Senate Hearing

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and healthy governments are critical ends of AGOA.”

The importance of poverty reduction was also a major focus in the testimony Connie Newman provided. As she noted, “We are not just doing a favor for Africa, but building a partnership. We’re wonderful people, but that’s not the only reason... Increasing economic growth will require major commitments on the part of African governments, **civil society** and the international community across a broad spectrum.... There is a growing appreciation of the key role trade can play in increas-

ing economic growth and reducing poverty in sub-Saharan Africa. Rapidly growing global markets will continue to create opportunities for the people of Africa to trade, provided they have the capacity.”

Alan Larson also spoke about the importance of cross sector dialogue regarding AGOA, “AGOA also continues to facilitate regular trade and investment policy discussions through the United States—sub-Saharan Africa Trade and Economic Development Forums, [the] premier platform to articulate and advance trade and economic policy toward Africa... During the most

recent forum, we spoke to the Africans about the importance of infrastructure development, agreed on the importance of fighting corruption and increasing transparency, addressed the imperative of increased access to credit for the private sector and encouraged African countries to explore ways to diversify their exports under AGOA... Parallel private sector and NGO* Forums have focused on the challenges that African countries face in their attempts to take full advantage of opportunities AGOA provides for their economy to grow... AGOA is an important part of our efforts

to use trade as well as aid as a means of development. Our common challenge is to launch together a new era of sustained growth and lasting development progress that benefits all people. Bringing all of the world’s poor into an expanding circle of opportunity is vital to raising hope, improving people’s lives, and creating a more secure, democratic and prosperous world.”

*See Newsletter Volume 1 Issue 1 for information about the NGO Forum organized by the AGOA Civil Society Network.

“NGOs and civil society also have a vital role to play in African development”

Under Secretary Larson’s remarks during the Second Civil Society Session of the Third AGOA Forum



Under Secretary Larson addresses AGOA Civil Society Network Members and participants during the Civil Society Session of December 2003

It is a great pleasure to join you in opening the Second AGOA Civil Society Network Session. I am especially pleased to welcome civil society representatives who have traveled from Africa to attend this conference, including a group of International Visitors sponsored by the Department of State. Your presence here in Washington reflects the vital link civil society provides between the people, the government, and the business community in shaping the investment environment to promote prosperity for all.

Seeing all of you reminds me of my early days as a teacher in Kenya and a Foreign Service Officer in Sierra Leone and Congo. We worked hand in glove with many of the NGOs on the ground there, including CARE and Catholic Relief Services. It was a fruitful partnership

that led to a number of successful projects to build schools, bring safe water to villagers, and provide improved agricultural techniques to small farmers. It also included a few late-night poker games! During that time, I really had a sense of shared vision of a more prosperous, peaceful Africa. It has proven to be a tough job, where successes mixed with many disappointments. But, I am confident that working together we can strengthen and renew our partnership to support Africa in its journey toward a sustainable, market-based development.

“Building Trade, Expanding Investment” is our theme for this year’s AGOA Forum. By providing Africans unprecedented access to growing U.S. markets, the African Growth and Opportunity Act (AGOA) has had a catalytic impact, stimulating economic growth, supporting African reforms and helping sub-Saharan Africa integrate into the global economy. Let me give you a few examples:

Total U.S.-African trade was nearly \$24 billion in 2002. U.S. merchandise exports to sub-Saharan Africa were just over \$6 billion in 2002, greater than exports to the former Soviet Republics and nearly twice those to Central and Eastern Europe.

Trade with AGOA eligible countries increased 10 percent in 2002 despite an overall decline in global

trade. While most U.S. imports continue to be in the energy sector, AGOA is providing an opportunity for Africa to diversify its exports. Already in 2002, non-fuel AGOA imports totaled \$2.2 billion, with apparel imports totaling \$803 million, roughly twice the amount in 2001. Transportation equipment imports (primarily cars and auto parts from South Africa) were up 81% to \$545 million.

Trade in non-traditional exports continues to rise, and AGOA has facilitated new investment, both cross-border within Africa as well as investment from outside the continent. USTR estimates that AGOA-related trade and investment has created over 190,000 jobs in Africa and over \$340 million in new investments. New investment in infrastructure, especially in southern and eastern Africa, can lead to a gradual adoption of world-class standards for customs clearance and port security.

While the African Growth and Opportunity Act remains a centerpiece of our economic policy toward sub-Saharan Africa, we are also focused on the Millennium Challenge Account. Through MCA partnerships, we will support eligible developing nations that demonstrate a strong commitment to the proven development foundations of just governance, investment in people through health and education, and promoting economic

freedom.

This year, Congress has provided strong bipartisan support to the MCA. We have achieved consensus on a first year appropriation of \$1.0 billion, and we are optimistic that Congress will soon approve legislation establishing the MCA so that we may begin operations.

Through the MCA, we will work with partners committed to the policies that let development succeed. Both AGOA and MCA recognize that development assistance is a catalyst for growth, but that free markets and domestic and foreign investment are its true engines.

NGOs are a vital link in the development chain in Africa. We admire your dedication and can-do approach on the ground. We share your commitment to development, human rights, environment, and social issues.

NGOs in Africa have great influence. I respect your courage and commitment and believe that government’s and NGOs must deepen our partnership with African governments, and with each other, if we are to help Africans achieve their place in the world.

Friends with influence have responsibilities. One of those responsibilities is to avoid carrying to Africa developed country disputes. The Cancun WTO meetings represented a lost opportunity

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US-Africa Updates

US Government Update—

The **AGOA Acceleration Act**—introduced by a bipartisan group led by House Ways and Means Chairman Bill Thomas—will be reviewed at a hearing on Capitol Hill in late April after House Members return from Easter Recess.

Civil Society News— UPCOMING EVENTS

10 Years of Democracy in South Africa: Achievements and Challenges

Policy Forum featuring **Barbara Masakela**-Ambassador of the Republic of South Africa to the US, **Walter Kansteiner**-former US Asst. Secretary of State for African Affairs, **Richard Tren**-Free Market Foundation of Southern Africa, and **George**



Ayittey-Department of Economics, American University. The event will take place on Wednesday, **May 12, 2004 12pm** at the **Cato Institute**. Register at www.cato.org or call 202.789.5229 by noon on Tuesday, May 11.

The seventh annual **AfrICANDO** Trade and Investment Symposium themed “Effective and Efficient Use of Agricultural Science, Technology and Research as a Tool for Development in Africa” and taking place **September 16-18, 2004** will bring together African and US agricultural businesses, educators, trade and investment experts, government administrators and representatives from international or-



ganizations to discuss technology based approaches and strategies to advance African agriculture.

AfrICANDO 2004 will provide participants with an opportunity for technology transfer, and lay the foundation for new economic partnerships between leaders of the African public/private sectors and the US public and private agricultural institutions, i.e., research centers, R&D based universities and business.

Advancing agriculture as an engine of development is an underlining objective of this **AfrICANDO** symposium. As a result of this conference, it is our hope that US food processing companies, farm related technology vendors ranging from fertilizer companies to irradiation/pasteurization companies will envi-

sion the advantages of doing business in Africa and identify new market opportunities for their organizations to participate in Africa’s development.

AfrICANDO 2004 is especially



important this year as 2004 marks the **Foundation for Democracy**

in Africa’s 10th Anniversary. Celebrations of this historic mark in time will take place on **September 17th** at the **AfrICANDO Gala Dinner**. For more information on the upcoming conference and anniversary celebrations, email: africando@democracy-africa.org

Panel on the Tenth Anniversary of South Africa’s post-apartheid constitution addressed the important role civil society organizations play in upholding the rule of law

On March 21, 2004, the South African Embassy in Washington, DC USA organized a panel on Human Rights and constitutionality in celebration of Human Rights Day and as part of a series of events celebrating the 10th anniversary of South Africa’s post-apartheid constitution.

Panel topics included “Constitutionalism in South Africa: The Last Ten Years”, “South Africa: Human Rights, Economic Development and Social Justice—An African American Perspective”, “South Africa: Government Delivery on the Socio-Economic Rights Enshrined in the Constitution” and “Human Rights in South Africa: Balancing Gender Equality with Cultural Diversity”.

Throughout the deliberations of the panel, civil society was given

credit for helping to ensure that there is a wide reach of implementation of the law especially regarding human rights. For the constitution to be firmly upheld in South Africa, many civil society organizations were involved in making certain that the people’s voices were heard by the government and other influential parties.

Even ten years later, this continues to be a struggle especially for South African citizens in rural areas, but there has been much progress. The African-American civil rights struggle—especially in terms of issues of equal access to education in the United States under Brown vs. the Board of Education (which has an anniversary of 50 years in 2004)—was used as a parallel example of how arduous, but worthwhile a task it is to implement and uphold hu-

man rights laws. It was duly noted that progress in access to education that was made under Brown vs. Board of Education came from the involvement of civil society groups that held public officials accountable for upholding this law that was so important for African Americans to receive equal treatment in education.

As noted during the panel, while progress has been made under Brown vs. Board of Education and many African Americans and other minorities including women have made gains from progress made under the law, one of the speakers mentioned that there is a trend in US education to value diversity over equal education—a controversial problem that is still being addressed today.

In both the US and Africa, civil society has provided (and continues

to provide) significant support systems that work to promote equality, poverty reduction and other important human rights. There is still much work to be done on both sides of the ocean in terms of ensuring that human rights are applied under the law in partnership with the public and private sectors as well as civil society.

Speakers on the panel included Ambassador Horace Dawson, Director, Ralph Bunch Center for International Affairs, Howard University; Mr. Clyde Bailey, Sr., President, National Bar Association; Professor Ziyad Motala, Howard University Law School; Professor Richard Thornell, Howard University Law School; Ms. Nobayeni Dladla, Embassy of South Africa; and Professor R.T. Nhlapo, Embassy of South Africa

US Under Secretary Larson’s Remarks during the Second Civil Society Session

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nity for Africa, in terms of reduction of tariffs and trade barriers that prevent the continent from reaching its full economic potential. I have been concerned, and I must admit, that in recent years some NGOs have carried to Africa European positions on biotech food crops or agricultural trade and Indian positions on

pharmaceutical patents.

Now I am not arguing that the views of the U.S. government are always right. What I am arguing is that all of us need to scrupulously avoid the temptation to speak for Africa or to bring to that continent our disagreements that are not really at the heart of Africa’s situation. We will not agree on every issue, but I think

we do agree that our goals are the same for a more peaceful and prosperous Africa.

We look forward to a busy and productive two days. Africa and the United States are important to each other. President Bush has shown his commitment to Africa, by expanding assistance for HIV/AIDS prevention, his personal involvement in getting the maximum re-

sources for the Millennium Challenge Account, as well as an extension of AGOA trade benefits. NGOs and civil society also have a vital role to play in African development, and we need and thank you for your commitment.

Interested in seeing more speeches and information about the Second AGOA Civil Society Session? Email agoacsonet@democracy-africa.org for details on how to obtain a CD copy.

*The AGOA Civil Society Network
Website is nearly complete!*

To view the site and peruse the AGOA Civil Society Network documents and relevant AGOA/CSO resources, visit us and click [here](#).



Africa Growth and Opportunity Act (AGOA)
CIVIL SOCIETY NETWORK



In keeping with the spirit of the Africa Growth and Opportunity Act (AGOA), the mission of the AGOA Civil Society Network is to empower African people through their civil society organizations to work with governments and businesses to take maximum advantage of AGOA benefits on behalf of the citizens of their countries.

The Network will accomplish this mission through three means:

- Monitoring and compliance with AGOA eligibility requirements
- Providing technical assistance where feasible for public and private sectors on AGOA compliance and trade capacity
- Tracking the impact of AGOA specifically and trade generally on Africa societies

Ongoing and potential AGOA Civil Society network projects include: (1) Annual report on eligibility requirement compliance of AGOA nations and assessment of compliance by non-AGOA nations compiled by national network affiliates; (2) Ongoing training by network member NGOs on trade capacity for African and America businesses to support and expand AGOA trade by small and medium enterprises; (3) Ongoing training by network member NGOs on trade, economic, political and social policy issues for African governments to enhance AGOA eligibility and compliance; and (4) Annual report on the impact of trade on African societies that measures the impact beyond commercial statistics and offers recommendations on broadening the benefits of trade.

**Questions? Comments? Please contact:
The AGOA Civil Society Network Secretariat**

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