



Africa Growth and Opportunity Act (AGOA) CIVIL SOCIETY NETWORK



NEWSLETTER

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

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Network Member Notes:

- **Share your thoughts on AGOA III's passage!** Now that all of our hard work in getting the bill passed has paid off, it's time to work on implementation. How do you see civil society helping Americans and Africans take full advantage of the new bill?? Email your thoughts, comments or further questions to: agoacsonet@democracy-africa.org
- 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

"We all have an obligation to spread opportunity throughout all corners of this important part of the world"

President Bush Signs the AGOA Acceleration Act of 2004 into Law

Below are the Remarks that President Bush gave before signing the Act into Law

Thanks for coming. In just four years, the African Growth and Opportunity Act has shown the power of free markets to improve the lives of people in both the United States and Africa. By reducing barriers to trade, this law has increased export, created jobs, and expanded opportunity for Africans and Americans alike. It has given American businesses greater confidence to invest in Africa, and encouraged African nations to reform their economies and governments to take advantage of the opportunities that AGOA provides. So today I'm pleased to build on that success and extend the law's benefits long into the future by signing the AGOA Acceleration Act of 2004. This legislation is a product of strong bipartisan cooperation, and I thank the members of the House and the Senate for working together on this very important piece of legislation. And I want to thank those in the audience who worked hard to see that the bill made it to my desk as quickly as it did.

Mr. Secretary, thank you very much for your leadership. Secretary Powell is a strong believer in the potential of the continent of Africa, and so am I.

I appreciate so very much Senate Majority Leader Bill Frist for joining us today. Senator, thank you for coming. I'm pleased to see that my friend, the Ranking Member of the Senate Finance Committee, Max Baucus, is still standing. (Laughter.) And I appreciate your leadership, sir. We're honored that Dick Lugar, who is the Chairman of the Senate Foreign Relations Committee, is with us. Mr. Chairman, thank you, and



President Bush addresses African Ambassadors to the US, US Congressional and Administration Officials and other AGOA Supporters as Ambassador Olhaye-Dean of the African Diplomatic Corps, Congressman Bill Thomas-Chairman of the House Ways and Means Cmte., Congressman Charles Rangel-Ranking Member of the House Ways and Means Cmte., Congressman Ed Royce-Chairman of the House International Relations Cmte., Congressman Donald Payne-Ranking Member of the House International Relations Cmte. and Dr. Condoleezza Rice, US National Security Advisor (lower right) look on

thank you for your clear vision for a better world. I appreciate so very much the members of the Ways and Means Committee who are here with us -- the Chairman and Ranking Member -- Chairman Bill Thomas, who's worked so hard for this legislation, as has his friend and Ranking Member, Charlie Rangel, both fine members of the Congress. Thank you all for being here, and thanks for your good work. I also am honored that Ed Royce, the Chairman of the International Relations Sub-committee on Africa, has joined us, and soon will be joined by Donald Payne, the Ranking Member, as well.

These members put in good work. They worked hard. They brought the other members of Congress along with them, many of whom are with us.

I am honored that the dean of the African Diplomatic Corps stands with me today. Mr. Ambassador, thank you for coming. I'm proud you're here. And thank you for representing the other ambassadors who have joined us today. We appreciate you taking time to come. And thanks for supporting this legislation.

There's a growing consensus in both Africa and the United States that open trade and international investment are the surest and fastest ways for Africa to make progress. That's what you have said; that's what Congress had responded to. For too many years, the world's efforts to promote Africa's development were focused on aid. Development aid is important. Nothing wrong with aid. And my administration has substantially increased aid to Africa, and we appreciate working with the members to do that.

But as Uganda's President Museveni has said, "By itself, aid cannot transform societies. Only trade can foster the sustained economic growth necessary for such transformation." This African leader understands that when nations close their markets and opportunity is hoarded by a privileged few, no amount of development aid is ever enough. But when nations respect their people, open their markets, expand freedom and opportunity to all their citizens, entire societies can be lifted out of poverty and despair. This is a hopeful piece of legislation. As

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“The Enactment of This Law Will Help Ensure that This Mutually Beneficial Trade Continues”

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America works for open markets and opportunity on the African continent, we will also confront disease and hunger and the violence that undermines progress and hope.

I'm deeply concerned about the humanitarian and human rights crisis in Darfur, Sudan. For the sake of peace and basic humanity, I echo the sentiments of the Secretary of State. I call upon the government of Sudan to stop the Janjaweed violence. I call on all parties of the conflict to respect the cease-fire, to respect human rights, and to allow for the free movement of humanitarian workers and aid. The United States and the United Nations and the leadership of the African Union are working to bring relief to the suffering people of that region. America will continue to strongly support these efforts for peace.

One way to spread peace is to encourage political and economic reform across Africa by opening markets here in the United States. It's important for our people to understand, by opening United States markets we make it more likely there will be peace on the continent of Africa.

AGOA nations are strengthening the rule of law. They are lowering trade barriers, they're combating corruption, and eliminating child labor. They're setting an important example for the entire continent, demonstrating that governments that respect individual rights and encourage the development of their markets are more likely to grow economically and achieve political

stability.

Like all good partnerships, AGOA has been beneficial to all parties. Free trade between the United States and sub-Saharan Africa has created jobs, wealth, and opportunity on both continents. Last year, under AGOA, African exports to the United States increased by 55 percent, and African -- and American businesses saw a 15-percent increase in our exports to sub-Saharan Africa that equals almost \$7 billion. The most notable gains were made by American companies selling agricultural goods and machinery and transportation equipment.

See, when you sell goods in Africa, it means somebody is finding work here at home. Trade must work both ways. AGOA has been beneficial to the people of the continent of Africa and to the people of the United States of America. That's why this is a good piece of legislation.

Since its enactment in 2000, AGOA has generated over \$340 million in investment and created thousands of jobs. Things are happening because of the law we're extending today, positive things for people in Africa and in America. The enactment of this law will help ensure that this mutually beneficial trade continues. Trade and investment from around the world is essential to world peace. The United States and the nations of the sub-Saharan Africa are working together to break down trade barriers around the world -- not just between ourselves, but around the world.



My trade representative, Ambassador Bob Zoellick is in Africa right now. He's meeting with his counterparts from across the continent to prepare for the World Trade Organization meeting in Geneva later this month. These are important meetings. They're important meetings for the people of the United States; they're important meetings for the people of the continent of Africa. And the reason why is because we want to advance our shared economic agenda, and it's very important for our AGOA partners to help make these talks in Geneva a success. Pass the word on to your capitals.

No region has more to gain from free markets than Africa -- that's the message. And no region has more to lose from a stalled WTO process than Africa. By working together and by our example, we can show the world that a new global trade agreement can bring

greater prosperity to all nations.

Real prosperity is the work of many years. I know that. It's hard work. It's hard to change the status quo. This law encourages the change in the status quo.

I'm so pleased and proud to see the ambassadors from the African nations who are here. Thank you all for coming. You've worked hard to make AGOA a success. You've worked hard to spread the message in the halls of Congress, and your hard work has paid off. I share your optimism about Africa's future. That's what we believe. Those of us who are standing up here believe in the future of Africa. We appreciate the commitment to freedom. We appreciate your understanding that we all have an obligation to spread opportunity throughout all corners of this important part of the world.

And now, it is my honor to sign this important piece of legislation. (Applause.)

“The Battle for Zimbabwe: The Final Countdown”: Author assesses the current state and possible future for Zimbabwe

On Tuesday June 29, 2004, author and journalist Geoff Hill spoke at the Heritage Foundation about current situation in Zimbabwe. He focused on the country's past, present and the future chronicled in his recently written book entitled, “The Battle for Zimbabwe: The Final Countdown”. At the seminar, he gave an overview of the book by talking about three important areas: what went wrong in Zimbabwe,

how can the problems be fixed, and if South Africa would encounter the same fate as Zimbabwe. His speech in these areas was short and concise, stating the most important aspects of Mugabe's rise and iron reign of power.

Hill cited various reasons for this iron rule, such as press nationalization in 1982 and allegations of genocide in the early 1980's. However, his speech was not entirely negative.

He did praise Mugabe for increasing the literacy rate from 90% to 95% in both rural and urban areas. At this point in Zimbabwe's history, political and social unrest started. The majority of the people were educated now, but without jobs. Consequently, opposition parties were formed, and to this day, the main opposition, the Movement for Democratic Change (MDC) has been clashing

with the ZANU-PF (Mugabe's ruling party).

Hill says the future can be promising for Zimbabwe if action is taken to recover the country now, instead of after the fall of Mugabe. He first made the disclaimer that he wasn't supporting a takeover by the US, as in Iraq. He urged the audience filled with many Congress-

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US-Africa Updates

US Government Updates—

Assistant Secretary of State for African Affairs Sworn into Office Secretary of State Colin Powell swore in Constance Berry Newman as assistant secretary of state for African affairs in an informal ceremony June 24 in his office. Newman comes from the USAID Africa office and succeeds Charles Snyder who has served in "acting capacity" since November 2003. [The United States and Africa - A Growing Partnership](http://www.state.gov/documents/organization/34409.pdf) or visit <http://www.state.gov/documents/organization/34409.pdf>; The **Senior Director for Africa at the National Security Council**, Jendayi Frazer, who is leaving the White House post to become U.S. ambassador to South Africa, is slated to be replaced by her former deputy, **Cindy Courville**, an Africa specialist at the Defense Intelligence Agency in the Pentagon.

Civil Society News—

Organized by Omega Investment

Research in association with the Free Market Foundation, the **"AGOA – Trade as a Tool for Economic and Social Freedom in Africa"** conference will take place in Johannesburg, South Africa 9th September 2004. Persons and companies interested in participating should contact: **Kristen Tremeer** on tel +27 (0)21 689 7881 or email: kristent@omegainvest.co.za

Training-of-Trainers Programme for West African Civil Society Organisations (Aug 23-27 2004) Accra, Ghana; *Event Details:* This workshop is brought to you by Kabissa, an organisation that helps African organisations put the Internet to work for the benefit of the people they serve. Kabissa originally developed the Time to Get Online curriculum for organisations excited by the potential of the Internet, but lacking the skills needed to take advantage of its many resources. *Contact Information:* Kim Lowery, Tel: +1 202 265 6116, info@timetogetonline.org

The National Endowment for Democracy (NED) invites applica-

tions to its **Reagan-Fascell Democracy Fellows Program**. Established in 2001 to enable activists, scholars, and journalists from around the world to deepen their understanding of democracy and enhance their ability to promote democratic change, the fellowship program is based at NED's International Forum for Democratic Studies, in Washington, D.C. Program: The program offers two tracks: a practitioner track (typically three to five months) to improve strategies and techniques for building democracy abroad and to exchange ideas and experiences with counterparts in the United States; and a scholarly track (typically five to ten months) to conduct original research for publication. Projects may focus on the political, social, economic, legal, and cultural aspects of democratic development and include a range of methodologies and approaches.

For further details and instructions on how to apply, please download the "Information and Application Forms" booklet available online at www.ned.org/forum/R-FAApplication.pdf or visit www.ned.org

org and follow the link to Fellowship Programs. Deadline: Applications for fellowships in 2005-2006 must be received no later than November 1, 2004. For questions, please contact: Program Assistant, Fellowship Programs, National Endowment for Democracy, 1101 15th Street, N.W., Suite 800, Washington, DC 20005; Tel.: (202) 293-0300; Fax: (202) 293-0258; E-mail: fellowships@ned.org; Internet: www.ned.org

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" will take place **September 16-18, 2004** bringing together African and US agricultural businesses, educators, trade and investment experts, government administrators and representatives from international organizations to discuss technology based approaches and strategies to advance African Agriculture. *For more information on the upcoming conference and anniversary celebrations, e-mail fdaad-min@democracy-africa.org*

Excerpt of Newly Appointed Assistant Secretary of State for Africa— Hon. Constance Newman's Remarks during the Second AGOA Civil Society Session



For a copy of the full Second AGOA Civil Society Session Report, please contact agoacsonet@democracy-africa.org

I'm pleased to be here and speak with you today because of your extremely important mission, which is that of empowering civil society to work with governments and business to take maximum advantage of the benefits of AGOA. I thank the consortium of NGOs led by the Foundation for Democracy in Africa that has organized this event. I commend your initiative and leadership in making this two-day dialogue possible. As you know, we're gathered here as a part of the larger AGOA

Forum that is bringing together American and African leaders in government, private sector and civil society. Our aim during these sessions is to find ways to build a stronger foundation for trade between the United States and the African countries. Someone has to shape the future of AGOA, someone has to work with the governments and private sector to take full advantage of AGOA and someone has to monitor the impact of AGOA on US-Africa trade. It is my belief that that is the role of civil society.

Civil Society is perfect because it can be the voice that is unbiased in monitoring AGOA compliance. Civil society can track the successes of AGOA and can lead to making relevant recommendations. In fact, this is what NEPAD is about. It's about African ownership and leadership in addressing the challenges on the continent. NEPAD is about changing the relationships between the Africans, African leaders and the donors.

That's going to be a challenge for all of us to make it work properly, but your role as civil society and ensuring that AGOA works fits right into the principle of NEPAD. In the same way that you are effective and can be effective in monitoring the challenges to progress in health, education and governance, conflict and other areas - you have and continue to monitor the effectiveness of AGOA and recommend corrective actions where necessary. At the AGOA Forum in Mauritius in January of 2003, among the topics considered were how to assess performance under AGOA, what is the effectiveness of the training of workers and what is the relationship of trade to societies' development in a broader sense. It's almost a year later, and the question needs to be asked, "How have we done?" I'll just be able to answer that question from my own point of view and the point of view of USAID, but I think it's a legitimate question for all of us

during this forum to ask - how have we done against some of the benchmarks set at the forum in Mauritius?

I have six points to make with regard to how we have done. The first is - there is general agreement that trade not only promotes economic growth, but it is a necessary underpinning for social and economic development. I don't think people are debating that. I don't think that there's disagreement with regards to the importance of trade in changing the lives of the people on the continent. Second point to make is - the legislation that exists enforces the need for the right environment for trade. Specifically, the AGOA legislation states that sustained economic growth in sub-Saharan Africa depends in large measure upon the development of a receptive environment for trade and investment, and to achieve this objective, USAID should continue

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Author Asserts Civil Society Should Be Involved in Zimbabwe's Future

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sional aids and interns, to encourage Congress members, NGO's and alike to develop plans and provide funding to rebuild and stabilize Zimbabwe now. A major area of concentration should be the development of a food program to feed those in need. Law and order is in need of an overhaul, which would probably go hand and hand with the new constitution that Hill encourages.

He also talked of the youth brigades or youth soldiers, likened to the "Hitler Youth." These young people, many whom have terrorized others, on command and sometimes against their will, have to be rehabilitated to become productive citizens. Lastly and very important are the exiles, the educated and highly skilled Zimbabweans that need to return to their country to help in

its rebirth. Hill suggested an incentives plan to help them in their decision to return. Lastly, Hill discusses the question of South Africa following the road of Zimbabwe.

South Africa, Hill says, is the fastest urbanizing society on earth. Just as in Zimbabwe, many people are being educated and moving to the city, only to find few jobs. If South Africa doesn't create the jobs fast enough, there could be a repeat

of what happened in Zimbabwe.

Before ending his presentation, Hill once again urged the people attending the seminar to create plans and find funding for programs to stabilize the country before Mugabe is out of office. He says time can be saved and Zimbabweans in the most need can benefit, instead of suffering great hardships.

Newman's Remarks during Last December's Civil Society Session

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to support programs which help to create this environment. We have taken this mandate seriously and we believe that we have been somewhat successful. Not enough and I know in the Question and Answer we'll have a very lively discussion about the extent to which we have and have not invested sufficiently in capacity building and in sharing information. Three - as a result of combined efforts since the enactment of AGOA, US-Africa trade has improved dramatically. It's improved in apparel and textiles, for example. Imports to the US from Africa have increased from nearly zero in 2000 to over 800 million in 2002. As part of this week, I have been involved in sessions on handicrafts, and I will say that there we have to be honest; most of the advancement in increase in trade has been in oil, in transportation equipment and textiles and apparel - very little in handicrafts. It's an area in which there's greater likelihood that larger numbers of people will benefit, but there's much work that needs to be done to have it be an effective way in which AGOA can make a difference in the lives of people. Four - USAID through our bilateral and regional missions is addressing development challenges by working with governments and civil society organizations including NGOs, community organizations, farmers' groups, women's groups and business associations.

Increasingly, we are also partnering with the private sector to expand their investments in Africa. In our development assistance program, we are in 24 countries in sub-Saharan Africa and we work closely with the African regional organization. We are promoting broad-based economic growth through policy reform, technical assistance, training and capacity building. In addition, emergency relief is structured to help nations make the transition to sustainable development, and I make this point because most of you understand large amounts of USAID money is in emergency assistance. What we have been trying to do in this administration is to recognize that there must be a link between emergency assistance and development. It must be seen on a continuum or we will always be providing emergency assistance and not building the capacity and turning the key for Africans to be in charge of food security, for example, on their own. Fifth point - The DOHA Development agenda of 2002 called upon the world community for specific commitments of technical assistance, capacity building and integrated approaches. Sixth point - President Bush's trade initiative announced that the first AGOA Forum in October of 2001 resulted in the creation of three regional hubs for global competitiveness. One in Botswana, one in Kenya and one in Ghana. In these hubs, there's access to information and expertise from the

office of the US Trade Representative, Departments of Agriculture, Commerce, State and Treasury. Also, each of the hubs is organized to sponsor awareness programs, such as workshops, roundtables and trade delegations to build greater understanding of AGOA regulations and to reach out to US companies to partner with African business ventures. The hubs have been at the forefront of a redesigned approach to assist African agricultural producers seeking to enter US markets. The US Department of Agriculture and USAID have understood that there is a very complicated process of getting food products, for example, into the United States, and to respond to that agriculture is putting agents into these hubs in order to facilitate the implementation of food health standards required prior to importation into the United States.

In closing, I'd like to say a little about the role of civil society organizations - particularly since you will be spending much of today deliberating about ways in which you can encourage African governments and businesses to take full advantage of AGOA. Here's my advice for what it's worth - First of all, civil society should continue to stay informed and track the issues of economic empowerment, trade and investment. Civil society has a unique role to play in encouraging African governments to create an enabling environment for local and foreign investors. Recognizing that investment is an essential component of expanded economic growth and trade and in

view of the policies and practices that often serve as obstacles to investment, I encourage you to consider some of the questions that investors generally ask. Will my investment be secure or will it be subject to nationalization? Is the country politically stable? Are the customs systems working in a fair and transparent manner or will imports be held up at ports? Will contracts be enforced through an efficient and effective court system? Is there a well trained and disciplined workforce? Is there a well-regulated and strong banking system? I know that you can add to this list, but in order to ensure serious investors, it is important to understand the kinds of questions that they consider prior to putting their money down. Secretary Powell says all the time, "Money is coward." Money is a coward, and people will think of all kinds of reasons why it's risky to put their money down. So what all of us trained in investment need to do is to think of those questions first and have the right kinds of answers when they come to determine whether or not it's a proper place for investment. Civil society organizations are well positioned that their governments and the private sector practice sound management, fiscal accountability as well as transparency and integrity in business transactions. All of these factors will contribute to a favorable investment climate and lead to expanded capital investment and economic growth.

Thank you.

Special Thanks

**to All Our Members who Sent Letters and Faxes, and
Made Numerous Phone Calls in Washington and Africa
to Spread the Word about the Importance of Seeking Action on
AGOA III.**

**Your Work Was Admirable and
We Look Forward to Continuing Our Work on
Ensuring AGOA's Success with You!**



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:

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