

2008 AGOA Civil Society Forum 14 July 2008

Since the first African Growth and Opportunity Act (AGOA) Civil Society Forum held in Mauritius in January 2003, organizations such as the Leon H. Sullivan Foundation, Bread for the World and the Foundation for Democracy in Africa have partnered with The Africa Society, the Partnership to Cut Hunger and Poverty in Africa, the Third World Network, the Mauritius Council of Social Service and other civil society organizations to continue to present the views of American and African civil society organizations on America's trade with African countries.

At the 2003 AGOA Civil Society Forum in Mauritius, an AGOA Civil Society Network was established by African and American civil society organizations to report on progress on taking advantage of AGOA benefits and transmitting the benefits of trade to societies as a whole. At the 2006 AGOA Civil Society Forum in Washington, four goals were agreed upon that inform future civil society actions: 1) highlighting the urgency of preventing job losses in AGOA countries, 2) enhancing the capacity to trade of African and American small and medium entrepreneurs, 3) identifying and removing the obstacles to trade for African entrepreneurs and 4) diversifying AGOA benefits for African producers.

Those issues were a major part of the 2007 AGOA civil society recommendations, which also called for the dissemination of information regarding product standards, including sanitary and phyto-sanitary measures; revision of rules of origin to enable a greater number of exports of qualified products to the US market; expansion of the range of tariff lines to expand products covered under AGOA, reciprocal treatment of subsidies, and harmonization and expansion of AGOA provisions and benefits, among other suggested actions.

The 2008 forum presented two hours of direct video connection in the morning session with six African countries: Cameroon, Kenya, Malawi, Mauritania, Tanzania and Togo to allow for a wide-ranging discussion of the effectiveness of AGOA. The afternoon featured two workshops – one on the future of agriculture in AGOA and the other on the impact of AGOA trade on African societies. There were several consistent themes in the recommendations throughout the day-long activities. Major recommendations of the participants were:

- The dumping of cheap, low-quality goods in Africa by China are harming economies on the continent and must be dealt with by higher standards by African governments and more competitive marketing of higher quality and price-competitive Western (especially American) products. Moreover, efforts to work with China and other nations to curb the export of counterfeit products, such as textiles and apparel, must be enhanced.
- Successful African participants in AGOA have both American and local investors, but local financing is difficult to come by, and Americans continue to be reluctant to invest in non-extractive industry ventures. In addition to capacity building programs, the U.S. should increase its efforts to successfully encourage investment in non-oil, non-mining ventures through ongoing U.S.-African partnerships.
- Small producers in Africa are competing on an economic playing field that is not level. Capacity building for African enterprises must include efforts to enhance the competitiveness of African companies by encouraging the production of high quality goods at competitive prices that are delivered in sufficient quantity in the agreed-upon delivery time.

- There is insufficient information being provided on the AGOA process and related product standards. Information must be disseminated directly to small producers in the rural areas and not just producers in the capital and urban centers.
- African governments and private sectors, as well as the U.S. government, must work together to coordinate capacity building and other assistance with targeted production of export-ready goods to broaden success under AGOA. The U.S. government must continue to help in the improvement of governance under AGOA.
- U.S. trade regulations must be simplified to prevent unreasonable delays in exporting African goods to America under AGOA, which currently can delay certifications for years.
- Transportation limitations must be eliminated by increased availability of air and sea transport choices and consolidation of African and American cargo to lower freight costs.
- Improvement of labor conditions under AGOA have been realized in the textile sector, but progress in labor rights in the agriculture sector has been slow, especially as regards child labor. Improving labor standards is vital to the improvement of social conditions.
- The full integration of women into African economies is critical to the economic, social and political stability of those countries since women play such a dominant role in the overall economic output in Africa and since successful women have been proven to be more likely to invest their revenues in the betterment of their families to the overall benefit of African societies.
- There is a big gap between the financing available for African entrepreneurs who are microenterprises and that available to large-scale companies. Most of the companies in the middle are women-owned and also are hampered by local traditions that prevent the ownership of land by women, which denies them the ability to hold sufficient collateral for loans. African governments must address the denial of land rights that is hampering the growth of economies on the continent.
- Studies have shown the high correlation between economic freedom and the enhancement of social indicators. The United States and other donors must continue to encourage the opening of African economies, which would inevitably produce higher standards of living for their citizens.
- American businesspeople need to be informed about the commercial opportunities in African countries under AGOA, and they must take greater advantage of the potential for successful business interactions with their African counterparts through trade missions, trade shows and other vehicles for encouraging U.S.-Africa trade.
- The language barrier between Americans, who speak primarily English, and African entrepreneurs, who speak a variety of languages, must be bridged to end the debilitating communications difficulties that require expensive translation and interpretation and limit successful business interaction.
- Small farmers and producers in Africa lack the capacity to trade directly through AGOA, and they should increase the formation of cooperatives to create economies of scale. African governments must facilitate such cooperatives to improve the chance for successful trade ventures.

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