



Communiqué
AGOA Civil Society Forum
Washington, DC
Presented to 13th AGOA Ministerial Session

On
August 2, 2014
FHI 360 Conference Center
1825 Connecticut Avenue, NW
Washington, DC 20009

The Civil Society Organization Session of the 2014 African Growth and Opportunity Act (AGOA) Forum took place on August 1-2, 2014, under the Theme “AGOA: Re-authorization beyond 2015.” The session was held at the FHI 360 Conference Center in Washington, DC.

The CSO session of the 13th AGOA Forum brought together more than 100 delegates from the United States and AGOA eligible countries to address the following issues, with the view of making recommendations for AGOA re-authorization beyond 2015. The session panels addressed the following:

- Optimizing AGOA’s Effectiveness through Regional Integration and Trade Facilitation;
- Textiles and Apparel;
- Trade Capacity Building for Small Holder Farmers and SMEs Export Expansion;
- Infrastructure and Transportation Linkages; and,
- Civil Society Organization Roundtable on AGOA

Discussion Highlights:

Failure to renew AGOA on a long-term basis will discourage investment and long-term business commitments. Re-authorization and timelines can be more effective if aligned with synergistic programs, such as, Third Country Fabric Provisions and Feed the Future.

The power of the African Diaspora has not been fully harnessed in AGOA, and there are many opportunities for this group to have a stronger role in AGOA implementation, through policy-making, capacity building, remittances, and investment.

AGOA is a trade preference act that does not address trade constraints nor specifically provide for technical assistance programs. As such, its objective to promote export-led economic development has been limited, and countries are not taking full advantage of trade preferences. Many SME’s and Small Holder Farmers remain inefficient and constrained in their productive capacities due to lack of skills, capacity and other restraints. Targeted Trade Capacity Building (TCB) assistance is essential for bridging that gap.

SME’s and Small Holder Farmers need a better understanding of: trade and investment program opportunities; trade regulations and doing business practices; customs and phyto-sanitary procedures; and market trends and opportunities. They also need better access to trade financing and insurance, as well as, marketing savvy and connections with distributor and sales channels. “Market Gateways,” like the Africa Trade Development Center, and other PPPs are prime for providing these services and creating demands for African products. The AGOA/USAID Regional Trade Hubs can be important links in the trade capacity chain if they devote greater resources to SME’s and Small Holder Farmers, and provide better transparency and measures of accountability.

Implementation of Trade Facilitation best practices is key to optimizing AGOA’s effectiveness and making AGOA inclusive to a diversified business environment. It will provide new opportunities for African SME’s to enter into Global Value Chains and avoid waste of perishable goods. Data shows that even a moderate improvement in trade facilitation can have a greater impact on GDP than simple tariff reductions.

Improved transportation safety and connectivity is essential for regional economic integration and intra-Africa trade growth. Important projects for attaining this should include implementation of next generation technologies to support models of U.S. DOT (FAA) “Safe Skies” and aerodrome safety.

Recommendations:

1. **Re-authorization** - Call on the U.S. Congress to: (a) seamlessly extend AGOA through re-authorization legislation from the current expiration date of September 30, 2015, to September in 2030, (b) extend Third Country Fabric provisions for the same time period, and (c) connect “Feed the Future” legislation to support AGOA objectives.
2. **Diaspora** - Call on AGOA national countries to implement policies, and programs that encourage and welcome Diaspora participation in AGOA initiatives, including financing facilities as incentives for Diaspora business and investment.
3. **Trade Capacity Building** - Call on the U.S. Congress to make AGOA re-authorization comprehensive to formally include trade assistance as a complement to trade liberalization, and prioritize capacity building initiatives that are in line with specific doing business issues for SME’s, Small Holder Farmers, and artisans. The CSO session participants commend Chairman Royce for his efforts to introduce such language into the re-authorization bill. Call on AGOA national governments to create AGOA Resource Centers to work with SME’s and Small Holder Farmers.
4. **Access to Financing** - Call on AGOA national governments to develop new trade financing opportunities for SME’s and Small Holder Farmers through national, regional and multi-lateral institutions. Call on the U.S. government to utilize existing U.S. agency resources more effectively to provide access to trade financing.
5. **Trade Facilitation & Global Value Chains** - Call on the U.S. Congress to promote in AGOA re-authorization, the implementation of Trade Facilitation best practices and capacity building in technology, training, and corresponding regulatory and legal frameworks, to create opportunities for SME’s in Global Value Chains. Relaxing the rule of origin for canned tuna would create significant new market opportunities for the tuna canning industries that already exist in six African countries.”
6. **Accountability and Transparency** – Call on the U.S. Congress to require greater transparency and accountability of AGOA/USAID Regional Trade Hubs’ work in capacity building activities, and equip them to prioritize program support for SME’s and Small Holder Farmers.
7. **Market Gateways and PPPs** – Call on the U.S. Congress to promote Market Gateways and PPPs that can provide African SME’s and Small Holder Farmers demand for goods, access to U.S. markets, and supply chain networks. Call on AGOA national governments and their export promotion agencies to partner with such organizations and connect them with potential African exporters and importers that are prime for joining Global Value Chains.
8. **Transportation & Regional Economic Integration** – Call on the U.S. Congress to highlight in AGOA re-authorization legislation, support for aviation and intraregional transportation programs that provide sharing of best practices, training, and next generation technology to support regional economic integration. Call on AGOA national governments to work together to pool resources and create complementary aviation related services that can provide regional reach.
9. **Inclusive Trade and Development** – Call on the U.S. Congress to strengthen language in AGOA re-authorization to support programs that increase women-owned enterprises’ participation in trade, and in programs that encourage youth to embrace vocations in agriculture. Call on AGOA national governments to adopt policies to improve women’s economic opportunities based on the indicators of the World Bank’s 2014 study on “Women, Business and the Law”.
10. **Civil Society Secretariat** – Call on the U.S. Congress to include support in re-authorization for the AGOA Civil Society Organization Network Secretariat to implement its mandates and programs, including the establishment of a fellowship program to provide training and capacity building for women, youth, and tomorrow’s leaders.