

2017 Communiqué
AGOA Civil Society/AWEP Session of the 16th AGOA Forum
Lome, Togo
Presented to 16th AGOA Ministerial Session

On
August 9, 2017
Radisson Blu Hotel
Lome, Togo

The AGOA Civil Society Organization Network and the African Women Entrepreneurs Program (AWEP) Session of the 2017 African Growth and Opportunity Act (AGOA) Forum took place on August 7-10, under the Theme “Civil Society and AWEP Using AGOA to Build Prosperity by 2025” The Session was held at the Radisson Blu Hotel and the ECOWAS Building in Lomé, Togo.

The CSO/AWEP Session of the 16th AGOA Forum brought together more than 200 delegates from the United States and AGOA eligible countries throughout Sub-Saharan Africa to address the following issues:

- AGOA Country Utilization Strategy
- AGOA Eligibility Criteria
- Infrastructure and Transportation Linkages to Make AGOA Products Competitive
- Using Fair Trade to Promote AGOA Exports for Micro, Small, and Medium Enterprises (MSMEs)
- Using Micro, Small, and Medium Sized Enterprises to Strengthen Regional Integration
- AGOA Challenges, Best Practices and the Way Forward

Discussion Highlights:

By 2060, Africa’s population is projected to reach 2.8 billion, from the current 1.26 billion; today, sixty percent of the population is below the age of 35, and Africa’s middle class is growing. Currently, Sub-Saharan Africa is experiencing an expansion in small and medium enterprise development. Today, MSMEs with the strong participation of women entrepreneurs create approximately 80% of the regions’ employment, and SMEs are establishing a new middle class, and fueling demand for new goods and services; however, African MSME’s face a number of supply chain constraints, and logistical issues, lack of access to financing and other barriers that limit their export competitiveness in US markets. Special attention and outreach must be extended to the youth in ensuring inclusiveness in policy making and program design.

The AWEP Secretariat and the Civil Society Organization Network Secretariat agree to collaborate on organizing future Civil Society Sessions of the AGOA Forum, and other training programs and events, both in the United States and in venues throughout Africa.

Civil Society and AWEP delegates call on all eligible countries to develop a AGOA Country Utilization Strategy, biennially, as recommended by the U.S. Congress under section 107 of the Trade Preferences Extension Act of 2015 to address supply chain constraints, logistical issues, lack of access to financing and other barriers inhibiting MSME’s competitiveness in achieving economic growth, and economic development, and creating the 20 million jobs needed in Africa, annually.

We underscore the need for eligible countries to adhere strictly to AGOA eligibility criteria to maintain market predictability and sustainability.

We call on all member countries to ratify the WTO Facilitation Agreement to strengthen regional integration, expand intra Africa trade and create value chains across national borders in achieving the sustainable economies of scale required in order for their AGOA exports to be competitive in markets in the United States

We urge the Civil Society Organization Network and AWEP members to increase advocacy efforts for policies in their respective countries that expand economic freedom and create the legal and regulatory environment required to attract direct foreign investment to finance infrastructure projects and build transportation linkages

to move products from farm to markets within markets in Africa and between markets in Africa and the United States.

Currently, the AGOA objective to promote export led economic development has its limitations, and AGOA eligible countries are not taking full advantage of AGOA benefits. Most of the AGOA-eligible non-oil firms are micro, small, and medium sized firms and small holder farmers. However, many of these enterprises remain inefficient and constrained in their productive capacities, due to lack of skills, capacity and other constraints. Technical assistance and capacity building for micro, small and medium size businesses, including, programs for women and youth of all genders, is key to fully realizing inclusive development. Programs that encourage mentoring and the creation of strategic partners, as well as, using “Fair Trade” to promote MSME AGOA exports are also essential. Furthermore, the Diaspora should work to strengthen outreach and investment in micro, small and medium enterprises in AGOA eligible countries and provide the requisite professional skills and management expertise to transform those enterprises in to being more efficient, and more profitable.

Trade and investment strategies need to promote industrialization and structural transformation of AGOA eligible countries in ways that advance decent work. AGOA offers an opportunity for African countries to address the decent work deficit, especially for women, youth and migrant workers, and reduce poverty.

Civil Society Organizations and AWEP advocate for eligible countries to adhere strictly to international labor standards when preparing their respective countries’ AGOA utilization strategy.

Recommendations:

1. AGOA COUNTRY UTILIZATION STRATEGY AND ELIGIBILITY CRITERIA:

- We call on AGOA eligible countries to support the work of the AGOA Civil Society Organization Network Secretariat in strengthening the capacity of civil society organizations and the African Women Entrepreneurship Program (AWEP) in Africa regarding the issues of AGOA country utilization strategies and compliance with eligibility criteria to provide the planning that is necessary in making success possible in using AGOA benefits to support micro, small, and medium enterprise (MSME) development.
- Member governments should work, closely, with their CSOs AWEP, Labor and Youth in the design of their AGOA Country Utilization Strategy to ensure efficiency, and inclusiveness.

2. TRADE FACILITATION, REGIONAL INTEGRATION AND TRANSPORTATION LINKAGES:

- We call on all AGOA eligible countries to ratify and implement the World Trade Organization’s (WTO) Facilitation Agreement to increase transparency, reduce transaction costs and increase the competitiveness of African businesses and exports. Member governments should work closely with civil society and AWEP on the implementation of trade facilitation agreements.
- We call on the African Union to unveil its Continental Free Trade Area (CFTA) which encompasses free movement of business persons and investment, establishment of custom unions, harmonization and coordination of trade liberalization, trade facilitation and instruments across regional economic communities (RECS) on time.

3. FAIR TRADE:

- We call on Governments to provide incentives for investment in testing laboratories, agency standards, micro lending, and other support mechanisms that are required to obtain the Fair Trade Certificate

- We call on private sector institutions, i.e., Ecobank, the Africa Development Bank, Ethiopian Airlines and others to support AWEP members and other MSMEs in obtaining finance, and addressing logistic and transportation challenges that they face in doing business.

4. **YOUNG ENTREPRENEURS:**

- We encourage member governments to promote policies that encourage “clustering” to grow economies of scale, and strategic partnerships with universities, the private sector and government agencies to provide fellowships, internships and skills training for the youth.
- We urge member governments to provide widespread access to digital-age technology, including, internet access, mobile technology, e-commerce and other new media to promote entrepreneurship among youth and women.

5. **MICRO SMALL AND MEDIUM ENTERPRISE VALUE CHAIN:**

- We call on member governments to increase their support for trade and technical capacity building programs in their countries to strengthen micro, small, and medium sized enterprises so they can better participate in global value chains.
- We encourage member governments to enact policies that will attract foreign direct investment, including that from Diaspora, and partnerships with U.S. multinationals in order to foster inclusion of MSMEs in their global value chains.

6. **TRAINING AND CAPACITY BUILDING**

- AGOA Civil Society Organization Network Secretariat to organize training and provide capacity building and technical assistance in partnership with network AWEP and network members, quarterly in West; East; Central and Southern Africa regions.