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Greetings and good morning from Accra! First, I'd like to applaud Fred Oladeinde and The Foundation for Democracy in Africa and AGOA Civil Society Organization Network – very forceful instruments in US policy progress towards Africa.

As we once again come together as a community united on both sides of the Atlantic to advance AGOA, I am reminded of President John F. Kennedy's famous quote that "victory has 100 fathers and defeat is an orphan." Since starting the AGOA effort around 1995, and spending nearly 5 years to get enacted after multiple defeats, I can attest that Fred Oladeinde and his team are genuinely among the parents of AGOA – from the early days of drafting it when we were uncertain about the outcome today, when we are yet again uncertain about the outcome. Fred, and many on this platform, however, have been steadfast stalwarts from the beginning—from Mel Foote, Paul Ryberg, Witney Schneidman, Bernadette Paolo, Tony Carroll, Steve Lande, Tom Sheehy and a few others.

I never thought after so much progress on AGOA, at such a small financial cost to the US that we would again, 23 years later, be at an inflexion point of uncertainty. Because, today, we have something now that we didn't have 20 years ago – we have “proof of concept” and irrefutable evidence that despite challenges, areas of needed improvement, and areas that didn't quite meet expectations, AGOA has been a transformative success.

What is the greatest measure and metric of success? While we should boldly confront what could have worked better, AGOA's shortcomings should not be the metric of its success. The metric and measures should be based on **RETURN ON INVESTMENT !** --- in terms of desired objectives, which have always been trade expansion, trade diversification and job creation. It is irrefutable that AGOA's financial cost to the US has been nominal. So, when we talk about extracting more gains from AGOA, we should also look at increasing the financial investments in AGOA. Our goal today should be building on what's working assuming the Hippocratic oath to “first do no harm”.

We know that AGOA's cost to US taxpayers is so nominal that even opponents don't focus on cost. If past is prologue, today during this yet another season of AGOA's uncertainty we should do what we did in the beginning and double down with a laser focus on the facts and the impact.

As we did before, we have to address **the fog now surrounding the facts, dispel the myths, education people on both sides of the Atlantic and raise credible counter arguments.**

The fogginess around the facts is very disconcerting. I'm now speaking to friends in the US Congress who are truly confused in my view. They are confused in my view by people who prefer to kill AGOA – not on merit but by benign neglect and a false promise to produce something bigger, and better. I would love bigger and better, but even those within the Biden Administration who have promised bigger and better have yet to produce a draft of what that looks like. Now our friends in the US Congress are saying “Oh AGOA was done 20 years ago, we now need bigger and better. There are folks on this call that have presented “bigger and better” – the African Ambassador Corps in DC presented a great set of recommendations as has many others. Yet, during the US Africa Summit there was no US commitment to extend or expand AGOA; VP Kamala Harris and Treasury Secretary Yellen had fantastic recent visits to African countries; Secretary of State Blinken have had many as have UN Amb. Linda Thomas-Greenfield and many other Biden Administration officials, but none have committed to a top priority identified by African countries – the extension and expansion of AGOA. If they have bigger and better, the Biden Administration needs to understand that while **we appreciate the aspirational support**

for Africa, we are waiting for the “bigger and better” US value proposition. Until we get bigger and better, let’s first do no harm and extend what is clearly working while we build forward better.

What must we do today:

1. Clear the Fog and Focus on the Facts:

I know I’m preaching to the converted but we must help a greater number of people to appreciate the facts:

- When AGOA was first enacted in 2000, US trade with SSA was \$18 billion which includes oil. By the time of AGOA’s enactment in 2001, bilateral trade rose by 55% to more than \$23 billion to nearly \$50 billion in 2022, an increase of 174%. This progress undoubtedly was driven by AGOA.
- Focusing on non-petroleum trade, (a major source of AGOA’s job-creating value) the U.S. trade balance improved from a \$1.5 billion trade deficit in 2000 to a \$1.1 billion trade surplus in 2019. The value of SSA’s apparel imports into the US alone in 2021 was \$1.4 billion, double what it was in 2000 before AGOA. Notably, 85% of the jobs in this sector is held by African women. African jobs that AGOA has generated directly and indirectly are no doubt in the millions. And clearly, the lives and prospects

of millions are better today than they would have been absent AGOA.

In summation on trade diversification—AGOA non-oil imports has risen by about 307% to \$5.7 billion in 2022.¹ AGOA's apparel imports alone have risen by more than 280%. This dry statistic is backed by African jobs, held by African women!

- AGOA has created hundreds of thousands of new direct jobs and millions of indirect jobs in Africa in the textile, agricultural, and automobile industries² and more than 500,000 in the US

This is the evidence supporting the AGOA return on investment at a nominal cost to US taxpayers. I don't want to begin to compare AGOA's dividends against the \$81 billion spent in AID over a decade by US taxpayers through an opaque largely failed foreign aid model with a lot of money that's being consumed by US NGOs and consulting firms with expansive overheads. This aid money is outside of the U.S. President's Emergency Plan for AIDS Relief (PEPFAR) and a few other instances is so opaque that it simply can't be tracked.

To clear fog, we should do what we did before, work closely and seamlessly in coordination with the African Union (AU) and African Ambassadors Corps.

¹ https://ustr.gov/sites/default/files/2022-12/US%20Trade%20with%20sub-Saharan%20Africa%2012072022_0.pdf ; <https://www.census.gov/foreign-trade/balance/c0019.html#2022>

² [African Coalition for Trade-Paul Rybery-Jan 2021 Trade Report.pdf](#)

Let's take the facts to the American people through town halls meetings, Congressional hearings, and mass media.

Let's address the misleading facts and some alternative facts. For example, USTR seems bent on convincing African governments, and the US Congress that AGOA is failing because of a low rate of utilization. I say this is a false metric because the truth is – the utilization rate of GSP and all US preferential trade programs for LDCs has decreased. Last, I checked, AGOA was the only US preferential trade program with a positive utilization rate of about 1.6%. As trade increases and barriers decrease it's clear that usage of preference programs will decrease.

Where do we go from here:

Help our government recognize that Africa is simply too big and too important to ignore and eloquent aspirational speeches and soft power diplomacy are not enough for America to reclaim its economic and commercial leadership with Africa.

First, we must work on how AGOA might be improved. A renewed US policy should also have a core goal of mobilizing/de-risking/incentivizing patient, well-priced private US capital for transformative investments in Africa.

US tax incentives would make this possible. These sectors could include the green economy, digital and physical infrastructure, health care. Development tax credits and the ability to repatriate profits from such investments back to the

US tax free would likely bring unprecedented US private sector investments to Africa. These tax incentives would also be US budget neutral as we would be incentivizing new investments in selected sectors where investments currently don't exist. The US is taking the right steps in this direction. During Vice President Kamala Harris' recent Africa trip, the private sector pledged more than \$7 billion in fresh commitments in reaction to her call for to support and boost climate resilience, adaptation, and mitigation throughout Africa.

Finally, the US must deliver on recent promises made to Africa, i.e., commitments made at the December 2022, US-Africa Leaders' Summit:

- a \$55 billion pledge to support the African Union's Agenda 2063
- creation of a new Digital Transformation with Africa (DTA) initiative intended to invest over \$350 million in financing Africa's digital transformation