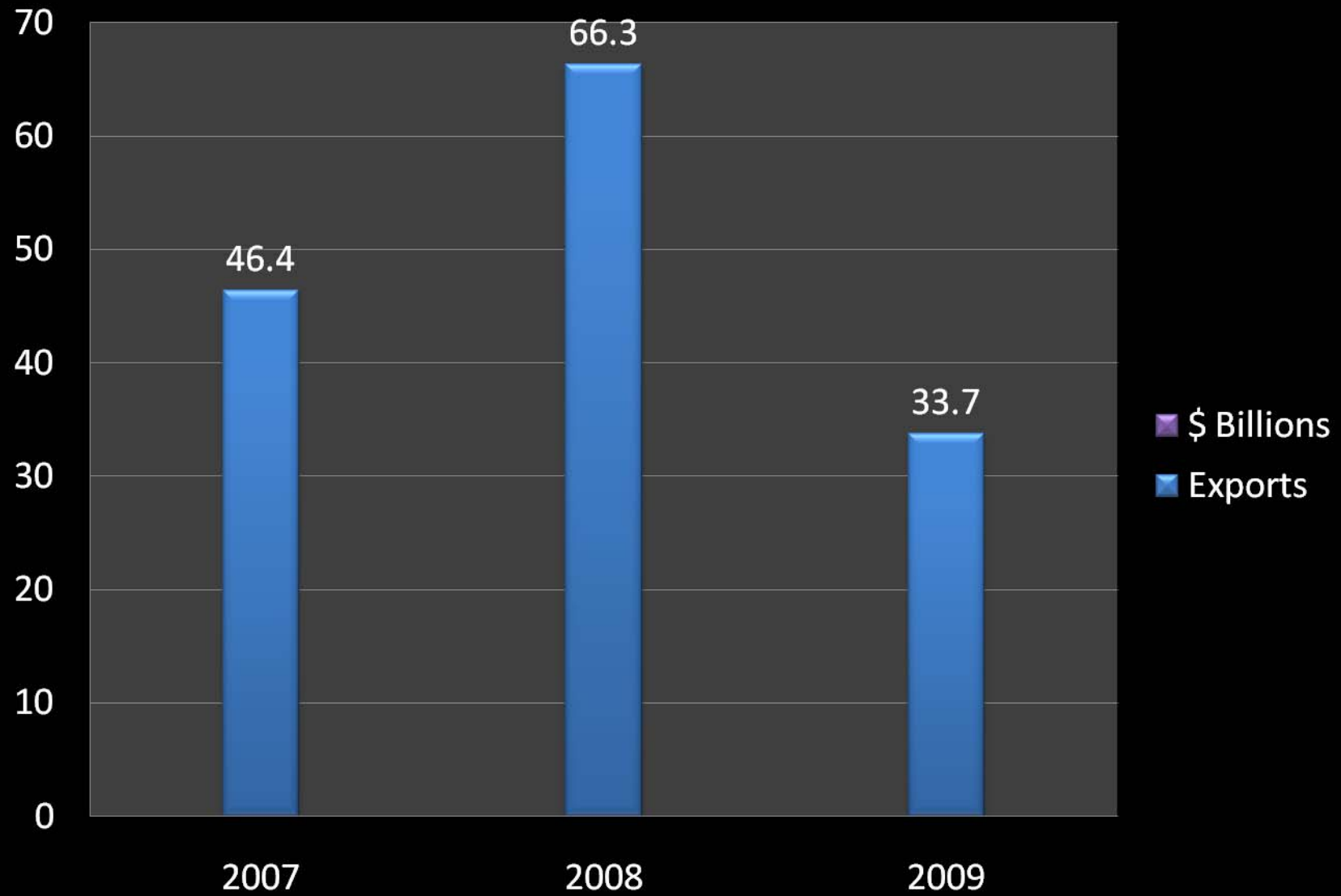


## AGOA IMPORTS



Source: US International Trade Administration

# QUESTION

Thank you very much, Madam Secretary. My name is Fred Oladeinde and I represent the AGOA civil society network. Since we met in Nairobi, some of us in civil society have noticed that AGOA, in terms of export from Africa to the United States, has declined, particularly if we take oil export out of the total basket of export into the United States. We believe that CAADP, which is the Comprehensive Africa Agriculture Development Program, may present yet another opportunity for us to be able to reevaluate AGOA and be able to help African countries that are ready to reform to expand their export into the United States. Can you share with us what is the Obama Administration in terms of reforming AGOA and trying to see how we can expand export through CAADP and the new \$6.3 billion initiative to ensure that we optimize the opportunity that AGOA presents?

## SECRETARY CLINTON:

Well, thank you for that. And as you might remember, in my speech in Nairobi, I outlined a number of steps to reform AGOA. But we recognize, too, that there is a very good opportunity with CAADP and we are working to use the CAADP-developed principles in our Feed the Future Program so that we take what has been agreed to by African countries themselves as the base for our work in agriculture. I will repeat what I said in Nairobi. There may be - and there definitely are things that the United States could do that would be better for exports from Africa to the United States other than oil exports, which is a huge distorting aspect of our trade relation. But most of the work that needs to be done needs to be done in Africa. If you look at trade between African countries, it is abysmally minimalistic.

## SECRETARY CLINTON cont'd:

African countries don't trade with themselves. They have barriers and tariffs and customs problems that stand in the way of developing their own economies. I laid that out in my speech in Nairobi. I challenged African governments to change their own laws to increase more trade. If Africa traded – if sub-Saharan Africa traded among themselves the way Asian countries trade among themselves, the GDP growth would be significant in a relatively short period of time. But this is a corruption problem. This is a capacity problem. This is driven by rivalries across borders. And so, unfortunately, the market to the United States is difficult because in order to get products from many African countries, you have to go through other countries. And that's not easy.

## SECRETARY CLINTON cont'd:

I will never forget one of the speakers in Nairobi saying that he came from Lagos, Nigeria and it took him longer to get from Lagos to Nairobi than it would have taken him to get from Lagos to London. So the United States will do our part, but African countries have to start doing their part and making the changes that will grow the economies in the sub-Saharan region. There is so much wealth, so many resources, so many opportunities. (Applause.) And we said last year in Nairobi we stand ready to provide technical assistance, we stand ready to help, but we can't help if nobody is asking for help or if nobody is accepting help.

## SECRETARY CLINTON cont'd:

And so again I renew the offer: We will work with anybody; we know how to open markets. The United States is an expert at opening markets. We have the most open market in the world and we want Africa to export more to the United States. But it is difficult, and a lot of the countries haven't gone to really assist their businesses in knowing how to export to Africa. So there is so much that could be done, but it is hard to do if you don't get laws and policies and customs and everything else changed. So I will renew our offer: We stand ready to assist. But I don't want to be making the same speech at the AGOA conference this year. We've made that speech and we are ready to help and we need to have somebody on the other end saying -

## SECRETARY CLINTON cont'd:

okay, I would love for some African government to come and say, go through our laws, tell us everything that needs to be changed that you believe would increase our GDP by 5 percent in the next 10 years, and we can tell you how to do it. But it means doing things that are going to run afoul of special interests and government bureaucrats and businesses that already have a lock on a market and they'd rather have the biggest piece of a small pie than a smaller piece of a big pie. And so if you're going to have that mentality, it is really hard to utilize the incredible tool that AGOA is. But we will be there to help if people come forward, if some of the NGOs can work with us to try to wrench open those markets.

## SECRETARY CLINTON cont'd:

But it's not something that just happens by hoping it's so or because the United States tries to make it so. It is a structural problem within the way countries in the region relate to each other. And that has got to be addressed. I mean, for goodness sakes, this is the 21st century. We've got to get over what happened 50, 100, 200 years ago, and let's make money for everybody. That's the best way to try to create some new energy and some new growth in Africa. (Applause.)