

Statement of Representative Ed Royce
Terrorism, Nonproliferation, and Trade & Africa, Global Health, and Human
Rights Joint Hearing
June 20, 2012
"African Growth and Opportunity Act: Ensuring Success"

Today we examine the African Growth and Opportunity Act. Signed into law in 2000, this landmark legislation ended years of our U.S. government indifference to Africa's considerable commercial potential. I am proud to have been part of the AGOA coalition. We were bipartisan, worked hard, and beat the odds to get the job done.

AGOA has brought major benefits to some African countries. Hundreds of thousands of Africans, many women, have been employed because of it. I have visited apparel factories, and seen AGOA's contribution to fighting poverty.

Unfortunately, Africa's emergent apparel industry is imperiled by the impending expiration of a key AGOA provision, dealing with the ability to use non-African manufactured fabric. If we don't extend this provision, hundreds of thousands of African apparel jobs will be shifted to Asia. Many already have because of this uncertainty. Africans are losing jobs, and we're losing the diplomatic good will won with AGOA.

Ideally, more countries, and more African industries, would have taken advantage of AGOA by now. But we shouldn't lose sight of the fact that the number of countries exporting non-energy products has increased from 13 to 22 in the last decade. When AGOA was passed, Africa was just about irrelevant to the global economy. Africa has a long road ahead, but progress has been made. One way to accelerate that progress, and help our deficit, is by eliminating our agricultural subsidies.

This Committee wrote AGOA's eligibility criteria. The U.S. extends duty and quota-free access with AGOA countries, and expects certain minimum commitments in return. One witness will tell us these standards "compelled most African countries to embrace the rule of law, allow for political pluralism, and respect democracy and basic human rights." That's not bad.

We didn't pass AGOA for Africans only. The U.S. is better off if Africa is moving away from mass poverty. AGOA can be better utilized, which we'll hear about, but we're sure better off with it in place.

When AGOA was written, the U.S. government was completely ignoring African commerce. AGOA has changed that, though I was struck by reading the other day that no Commerce Secretary has visited sub-Saharan Africa since 2002. Nothing in *ten* years? That's not the spirit of AGOA.