

“The African Growth and Opportunity Act: Ensuring Success”
Chairman Chris Smith
Subcommittee on Africa, Global Health and Human Rights
2172 Rayburn
June 20, 2012

I want to thank Chairman Royce and Ranking Member Sherman for agreeing to join our Subcommittee in holding today’s hearing. Chairman Royce has had a long history of promoting U.S.-Africa trade, including his success as floor leader of the original African Growth and Opportunity Act.

When you examine the statistics of AGOA, it is clear that this trade process has been a success in increasing the economic engagement between the United States and nations in Africa. Even though the extractive industries comprise more than 90% of the trade under AGOA, there have been advances in manufacturing of textiles and apparel, steel and even auto parts. The question is not how to make AGOA a success; it is how to make AGOA a broader success.

For example, about two-thirds of Africans are involved in the agriculture sector, but agricultural products are not nearly as prevalent among African exports to the United States as they could be. Our government has not done a good job of explaining to the right people in Africa our sanitary/phyto-sanitary rules, which were established to protect American consumers from unsafe food products. We need to explain these needed regulations to those who produce agricultural products and not just to government officials. Expanding the benefits of AGOA to African agricultural producers will affect more African lives than almost anything else we can do in the trade arena.

Addressing other issues, such as capacity building for African exporters on how to more effectively deal with U.S. security laws, lack of transportation options for African exports to the United States and encouragement for U.S. companies to increase their exports to Africa would all help make AGOA more broadly successful.

On that latter point, Congressman Bobby Rush and I and Senators Dick Durbin and John Boozman have introduced the Increasing American Jobs Through Greater Exports to Africa Act (HR 4221 and S. 2215) to provide more balance in U.S.-Africa commercial relations. Over the last decade, so many efforts have had to be made to enable African producers to export to the United States that we have not devoted enough attention to stimulating U.S. exports to and investment in Africa.

We especially have not seen sufficient facilitation of trade with African countries by the African Diaspora in this country. Our bill addresses the current export-import imbalance without endangering African markets. We believe that American products, such as those in the agriculture sector, would make African more productive and their efforts more profitable.

AGOA has changed the dynamic of U.S.-African relations, and we must ensure that moving forward, we make the promise of AGOA a reality for more people in Africa and in the United States.