

**Remarks by Ambassador Ron Kirk
United States Trade Representative**

**Opening Ceremony of the 2011 U.S.-Sub-Saharan Africa Trade and Economic
Cooperation Forum (AGOA Forum)
Lusaka, Zambia
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As Prepared for Delivery

“Good morning, President Banda, Honorable Minister Mutati, esteemed members of the Zambian Government, Ministers and heads of delegation from AGOA partner countries, U.S. Government colleagues, private sector and civil society leaders, and all friends of AGOA here today.

“It was a pleasure to host many of you in Washington last year, and I am similarly delighted to be with you in Lusaka for the opening of the Tenth AGOA Forum.

“It is my privilege along with Secretary Clinton, who will be joining us tomorrow, to lead a U.S. Government delegation which includes senior officials from a wide variety of agencies as well as several Members of the U.S. Congress. There are also many U.S. business and civil society representatives here in Zambia

“This high-level dialogue is proof of Africa’s strategic importance to the United States.

“I can assure you that trade and investment are critical elements of President Obama’s Global Development Policy.

“At the Millennium Development Goals Summit last September, the President called broad-based economic growth ‘the most powerful force the world has ever known for eradicating poverty and creating opportunity.’

“And he said that moving from poverty to prosperity will require ‘all the tools at our disposal -- from our diplomacy to our trade policies to our investment policies.’

“I saw the economic power of trade in action when we toured a local flower farm near Arusha on Monday. There, Jacqueline Mkindi and Richard Pluke described an initiative sponsored by the U.S. Agency for International Development (USAID) in coordination with the Tanzanian Horticultural Association (TAHA) that is helping to develop better air-shipping solutions to make Tanzanian flower exports more competitive in the international market.

“I was pleased to learn that TAHA prioritizes the needs of small farms, most of which, are operated by women. I had the opportunity to meet some of these women, and they told me how better transportation links are moving their products to market more reliably and affordably, which is helping to create a better flow of income for their small farm businesses.

“Their stories are similar to ones I heard on my last visit to the continent in 2009, when I met with farmers, factory workers, and entrepreneurs in Kenya, Ethiopia, and Senegal.

“The people behind these businesses are real pioneers. In sometimes difficult circumstances, they are competing in the global market, and making better lives for themselves and their children. And AGOA helps make it possible.

“AGOA helps make it possible for Ethiopian factory workers to earn a living supported by exports of apparel and footwear for sale in the United States.

“AGOA helps make it possible for Ghanaian craftsmen to sell expertly-carved stools, bookends, and statues to U.S. customers seeking the perfect piece at interior design and African art shops across our country.

“And AGOA helps make it possible for HIV-positive single mothers in Swaziland to export specialty foods, giving them good jobs and hope for their families.

“By facilitating trade that supports jobs, AGOA improves individual lives and stimulates development from the bottom up in a way that can lead to greater economic growth for entire countries.

“That’s why Congress passed AGOA, and that is why the Obama Administration is committed to make it work even better.

“Let me say that again: The United States is committed to promoting Africa’s economic growth through trade, and AGOA is a critical pillar in growing the U.S. economic relationship with sub-Saharan nations.

“Now, early in the second decade of AGOA, we celebrate its success. Since its launch in 2000, AGOA has provided opportunities for real people and businesses, and contributed to the growth of African economies through expanded and diversified trade. Last year, non-oil imports under AGOA totaled \$4 billion, up 18 percent from 2009, and included value-added products such as apparel, footwear, processed agricultural products, and manufactured goods.

“We also recognize that AGOA can do so much more. That’s why the Obama Administration will work with the U.S. Congress over the coming months to extend one of AGOA’s most important provisions – the third-country fabric provision. We would like to see it extended to 2015.

“AGOA textiles and apparel have created new opportunities for investment and trade that benefit businesses and consumers in both the United States and Africa. This sector remains an important foundation for Africa’s growing industrial base.

“In addition, over the next few months, once South Sudan achieves independence, we hope that Congress will add that new country to the list of those eligible for AGOA benefits once it meets the benchmark criteria for inclusion.

“Furthermore, the Obama Administration is also committed to working with Congress toward a seamless renewal of AGOA beyond 2015 to provide the predictability needed for U.S. and African businesses, entrepreneurs, buyers, and investors.

“But we cannot simply seek to extend AGOA. All of us – U.S. and African, governments, farmers, and business – must work closely to make AGOA better, to fulfill its yet unfulfilled promise and potential. We must get it right and aim to have the impact we’ve always known possible in AGOA’s second decade.

“To be sure, the U.S. government understands that market access alone under AGOA will not get us the results we seek.

“Over the past eleven years, we’ve learned that AGOA is most effective when Africans interested in exporting are also able to receive technical assistance and other support through trade capacity building programs.

“That’s why the United States is helping African countries in key areas like infrastructure development and trade capacity building, through the Millennium Challenge Corporation (MCC) and federal agencies.

“Nearly \$5.5 billion of MCC compacts, about 70 percent of its portfolio, benefit the people of 13 African countries. These projects include building transportation networks, increasing agricultural productivity, improving water supply and sanitation, expanding health, education, and community services, and broadening access to finance for greater enterprise development.

“Investments like these improve life for millions of Africans and make it easier to produce, sell, and ship goods and services within the continent and abroad.

“At the same time, to support our investments in AGOA, USAID, the African Development Foundation, and the U.S. Trade and Development Agency provide technical and trade capacity building assistance to help African exporters discover and seize opportunities in the U.S. market.

“USAID funds regional trade hubs in Ghana, Senegal, Botswana, and Kenya that work with producers and firms that are ready to export in industries ranging from food to flowers to footwear.

“These trade hubs help make African producers more competitive by tackling cross-cutting problems in finance, transport, governance, business environment, and telecommunications.

“And the hubs produce positive results for African farmers, factory workers, and families. For example, in 2010 alone, the trade hubs facilitated over \$100 million in African goods exports to the world, including \$56 million to the United States, and assisted nearly 1,200 African firms interested in developing or expanding their capacity to export.

“That is why, today, I am pleased to announce that the United States will support a new trade capacity building initiative, the African Competitiveness and Trade Expansion Initiative, or

‘ACTE.’ Even in a very difficult U.S. budget environment, this initiative will put significant resources behind the commitment to expand both U.S.-African and intra-African trade.

“Specifically, ACTE will provide up to \$120 million over four years to intensify and focus more sharply the work of USAID’s African Trade Hubs. Resources will be provided to improve Africa’s capacity to produce and export competitive, value-added products and to address supply-side constraints that impede African trade.

“These investments will help to drive economic development in African countries, and enhance trade opportunities among Africans and Americans alike.

“Because just as pioneering African entrepreneurs are seeking to sell more to international customers, there are many American businesses both small and large looking toward Africa as the next major frontier market. And as African economies develop, American producers should be able to find additional African customers more quickly.

“At the same time we all must recognize that private sector leaders want to see a high degree of transparency, accountability, and predictability when making trade and investment decisions. That’s why the United States is working with African governments to improve the business climate in their countries.

“Similarly, the United States supports African regional economic integration. Reducing barriers to intra-African trade and investment will improve Africa’s competitiveness, and it will benefit American exporters as it becomes easier to do business here.

“Many AGOA partners have already enacted far-reaching economic and political reforms that have enhanced the business and investment climate, established rule of law, improved governance, and addressed barriers such as corruption, lack of capacity, and limited infrastructure.

“The United States will continue to support countries that take such concrete steps, because we know that when we are focused on ambitious goals, when we demand mutual accountability for measurable outcomes, and when we marshal resources in the right ways, we can do big things together.

“For example, strong partnerships among governments and the private sector have helped us make significant progress in addressing the HIV/AIDS crisis.

“As we meet here today, the UN General Assembly is convening a High-Level Meeting in New York to mark 30 years since the first reported case of HIV/AIDS.

“The drafters of AGOA recognized the impact of HIV/AIDS on this continent. In the bill, they affirmed the United States’ commitment to work through public-private partnerships to address the HIV/AIDS crisis.

“And in the decade since AGOA was passed, these efforts have paid off. Working together, African countries and the private sector have developed innovative and cooperative ways to increase access to medicine.

“Though there is still much work to be done, together we have radically changed the situation – millions have access to treatment, HIV incidence rates have dropped, and people are living longer, healthier lives.

“This is good news, because Africans and Americans all seek the same things – we want safe and secure communities, with good schools and good jobs, so that we can provide for our families, and so our children and grandchildren have a chance to lead a better life.

“So as we discuss AGOA and U.S.-Africa trade this week, let us remember that the policy we make today will determine the scope of tomorrow’s opportunities.

“Let us be both ambitious and thorough in crafting policies that channel the tremendous power of trade to promote prosperity and create jobs well into the future.

“The challenge for all of us – Africans and Americans alike – is to work together to get it right, so that all of our peoples can compete globally and reap the benefits of trade more widely on both continents. President Obama and I look forward to continuing to work with you.”