



U.S. CONGRESS APPROVES EXTENSION OF AGOA THIRD COUNTRY FABRIC PROVISION

August 2, 2012, Washington, DC - The United States Congress voted, today, to renew the third country fabric provision (TCF) of the Africa Growth and Opportunity Act (AGOA) beyond September 30, 2012 to September 30, 2015. The legislation will now head to President Barack Obama's desk, where he is expected to promptly sign it into law.

This action is expected to impede the sharp decline in factory orders for exports of African apparel under AGOA, as well as, the loss of thousands of jobs in the United States and AGOA eligible countries.

AGOA which is widely considered to be the foundation for modern US-Africa economic cooperation and trade ties was signed into law in May 2000 by President Bill Clinton, and subsequent amendments to AGOA were signed by President George W. Bush in 2004 and 2006.

Both the US Congress and the Obama Administration recently experienced severe criticism by civil society activists and private sector stakeholders during the Civil Society Session of the 2012 AGOA Forum held in June of this year for what was perceived, at that time, as their lack of political support for the legislation.

The bipartisan collaboration entailed in passing this legislation, and within days before Congress goes on summer recess is noteworthy, and a result of vigorous outreach and advocacy by civil society organizations, private sector stakeholders and the African Diplomatic Corps over the past year. "Now that TCF provision renewal has been achieved, our focus will shift to the future of AGOA beyond its expiration in 2015," stated Fred Oladeinde, Chair, AGOA Civil Society Network.

Members of the AGOA Civil Society Network would like to see AGOA reformed into a more inclusive, more accessible and more permanent framework - a framework under which expertise can be provided to AGOA eligible countries via facilitative and topical agreements, such as, Trade, Investment and Development Cooperative Agreements (TIDCA's); bilateral investment treaties, investment and development friendly double taxation agreements. These agreements should address customs and trade facilitation, sanitary phyto sanitary (SPS) technical barriers, protection of investment, avoidance of excessive taxation, small and medium enterprise participation, supply chains, and other agreements that supports regional integration, and Africa becoming a continental free trade area.

AGOA Civil Society Network commends the US Congress and the Obama Administration for ensuring that the third country fabric provision extension was passed, **just in time**, and looks forward to President Barack Obama's prompt signing of the legislation into law.

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