



U.S. SENATE COMMITTEE ON

Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

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For Immediate Release

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Grassley Praises Senate Passage of the Africa Growth and Opportunity Act

WASHINGTON – Sen. Chuck Grassley, chairman of the Committee on Finance, today praised Senate passage of the AGOA Acceleration Act of 2004. The Senate passed bill is identical to legislation passed by the House of Representatives on June 14, 2004, by voice vote. Today’s action clears the measure for the President’s expected signature. Grassley introduced the House bill in the Senate on June 16, 2004.

“This is great news for Africa,” Grassley said. “Since AGOA was first enacted in 2000, investment in Africa is up, and trade from Africa is up. Because of the Africa Growth and Opportunity Act, many African families can now feed their children. For the first time there is a new sense of hope in many countries. Many provisions of the Africa Growth and Opportunity Act were set to expire this year. This created an environment of uncertainty, which was leading to investment flight and lost opportunities. Passage of this bill today will help people in Africa reap the full benefits of the program.

“It’s encouraging that this bill received such strong bipartisan support in the House and Senate. Trade can be a powerful tool of growth, and I’m pleased that the majority of my colleagues share this view.

“Although passage of this bill is a great step forward, there is still a lot of work to be done. For example, the United States is currently negotiating a free trade agreement with members of the Southern African Customs Union. This will include the nations of South Africa, Botswana, Lesotho, Swaziland and Namibia. Completion of this agreement will help foster trade and investment in the region, which could lead to a new period of sustained economic growth.

“For trade to work, it’s got to be two-way street. Foreign aid and preference programs are always a short-term answer. For long-term growth, Africans must work hand-in-hand with the United States to open markets both in Africa and around the world. History proves that the most economically advanced nations are those that embrace free trade and free markets. Too often, unduly high tariff barriers in developing countries hinder the trade and investment that is so vital to economic growth. I want to help create a climate of sustained prosperity in Africa, so we can eliminate poverty and provide hope for a better future. Passage of this bill today is a good first step. I hope we can continue our work with the African people to help advance both our economies and build toward a brighter, more prosperous future.”

