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**Wyden Hearing Statement on the African Growth and Opportunity Act**  
*As Prepared for Delivery*

More than fourteen years ago, Congress passed the African Growth and Opportunity Act, known as AGOA. For the first time, the United States established a trade policy specific to sub-Saharan Africa. AGOA was designed by a bipartisan group of lawmakers with the goal of fostering opportunities for African entrepreneurship and strengthening its job-creating trade ties with the U.S. Today, the law allows almost all products from eligible African countries to be imported duty-free. AGOA is a success, and it should be renewed and strengthened in the same way it was established, through bipartisan work and cooperation.

This hearing is particularly timely because African leaders arrive in Washington next week as part of the AGOA forum. Now is also a time to begin to assess how AGOA and other preference programs, like the Generalized System of Preferences, fit into the larger trade puzzle.

Much in sub-Saharan Africa has changed in the 14 years in which AGOA has been implemented. In the wake of the Great Recession, Africa is a bright spot in the global economy. Over the past decade, economic growth in sub-Saharan Africa has bested the world's average growth rate by two percent. In that same time span, six of the world's ten fastest growing economies were in Africa.

There is also clear evidence that AGOA is a success. In 2000, trade between the U.S. and Africa stood at less than \$30 billion. It more than tripled over the following decade as exports diversified and grew, supporting job growth in both the U.S. and in Africa. Some of the growth in trade was the increase in West African oil production and exports, which would have occurred with or without AGOA. But even when you take oil out of the equation, AGOA is responsible for significant growth and diversification among African exports.

While AGOA will remain a program that is primarily intended to help Africa chart its own economic course, AGOA benefits America, too. As sub-Saharan African economies have grown, in part because of the program, the region's buying power has gotten stronger. That's good for American exports. There are more than 100,000 red-white and blue American jobs tied to AGOA. American exports to sub-Saharan Africa grew about 250 percent since the program's inception, supporting aerospace, auto, and agriculture jobs at home.

The expiration of AGOA in September 2015 gives this Congress, the administration, and stakeholders a chance to see where the program stands – to examine what works and develop plans to help AGOA adapt to Africa's fast-changing economic landscape.

The evaluation process must start early, which is why the Finance Committee is holding this hearing more than a year before AGOA's expiration date. African apparel producers who benefit from the program often receive orders up to nine months in advance, but they won't receive these orders if there is uncertainty about when AGOA expires. Failing to renew, and perhaps reshape, AGOA in a timely manner could reverse important economic gains made over the last decade and a half, and no one wants that to happen.

Congress should explore ways to improve AGOA to further drive growth in a broader range of African exports. One method to consider is expanding the array of products AGOA covers. Another option is making it easier for producers to draw from a bigger variety of sources in the manufacturing process.

The goal should be for AGOA to help increase the value of Africa's exports and promote growth and diversity in even more African countries. That way, they can better compete with the economic hotbeds in the Asia-Pacific region and around the world.

It's also important to recognize that even with enhancements, AGOA is not a silver bullet for development. It must be part of an overall strategy to increase trade ties, boost investment, and cut burdensome red tape. The administration has recognized this as well, launching programs such as Power Africa and Trade Africa. The Overseas Private Investment Corporation, the Millennium Challenge Corporation, and the Export-Import Bank all play an important role in the United States' comprehensive approach to African development. This committee will do its part by looking for ways to enhance AGOA's impact in the months ahead.

The fact remains that it is Africa, and Africa alone, that holds the power to continue to increase its people's living standards. The best way to accomplish that is to improve governance on the continent. Improving governance, strengthening rule of law, cutting needless and burdensome regulations -- all will help Africa attract investment.

I want to conclude by emphasizing that any "AGOA 2.0" should be crafted in a way that complements efforts by African governments to improve the lives of their people. Fortunately, there are many promising ideas to be heard, and this committee is ready to find ways to put them into practice.

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